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LEGISLATIVE HISTORY

Public Law 540 ---- 84th Congress

Chapter 327--2nd Session

H. R. 10875

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INDEX AND SUMMARY OF H. R. 10875

April 18, 1956	Sen. Aiken introduced S. 3675. Referred to Senate Agriculture and Forestry Committee. Rep. Hope introduced H. R. 10604. Referred to House Committee on Agriculture. Print of bills as introduced.
April 27, 1956	Rep. Cooley introduced H. R. 10875. Referred to House Committee on Agriculture. Print of bill as introduced.
April 30, 1956	House committee reported H. R. 10875 without amendment. House Report No. 2077. Print of bill and report.
May 1, 1956	House Rules Committee reported resolution for consideration of H. R. 10875, H. Res. 492, H. Rept. 2085. Print of resolution and report. Digest of Congressional Proceedings contains summary of H. R. 10875.
May 2, 1956	House began debate on H.R. 10875.
May 3, 1956	House passed H. R. 10875 with amendments.
May 7, 1956	Referred to Senate Agriculture and Forestry Committee. Print of bill as referred.
May 8, 1956	Rep. Cooley discussed provisions of H. R. 10875 as it passed the House.
May 9, 1956	Senate committee approved certain amendments.
May 10, 1956	Senate committee ordered reported with amendments, H. R. 10875.
May 11, 1956	Senate committee reported with amendments, H.R. 10875. Senate Report 1966. Print of bill and report.
May 15, 1956	Sen. Johnson discussed bill.
May 16, 1956	Senate made H.R. 10875 its unfinished business.
May 17, 1956	Senate began debate on H. R. 10875.
May 18, 1956	Senate passed H. R. 10875 with amendments.
May 21, 1956	Both Houses appointed conferees.
May 22, 1956	House received conference report. House Report 2197. Print of conference report. Senate received and agreed to conference report.
May 23, 1956	House agreed to conference report.
May 28, 1956	Approved; Public 540, 84th Congress. Statement by the President.

(Copies of all printed amendments received are included in history).

APRIL 18 (legislative day, APRIL 9), 1956

A BILL

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

4 SEC. 201. This Act may be cited as the "Soil Bank
5 Act".

DECLARATION OF POLICY

2 SEC. 202. The Congress hereby finds that the pro-
3 duction of excessive supplies of agricultural commodities de-
4 presses the prices and income of farm families; constitutes
5 improper land use and brings about soil erosion, depletion
6 of soil fertility, and too rapid release of water from lands
7 where it falls, thereby adversely affecting the national wel-
8 fare, impairing the productive facilities necessary for a con-
9 tinuous and stable supply of agricultural commodities, and
10 endangering an adequate supply of water for agricultural
11 and nonagricultural use; overtaxes the facilities of interstate
12 and foreign transportation; congests terminal markets and
13 handling and processing centers in the flow of commodities
14 from producers to consumers; depresses prices in interstate
15 and foreign commerce; disrupts the orderly marketing of
16 commodities in such commerce; and otherwise affects, bur-
17 dens, and obstructs interstate and foreign commerce. It
18 is in the interest of the general welfare that the soil and
19 water resources of the Nation be not wasted and depleted
20 in the production of such burdensome surpluses and that
21 interstate and foreign commerce in agricultural commodities
22 be protected from excessive supplies. It is hereby declared
23 to be the policy of the Congress and the purposes of this
24 Act to protect and increase farm income, to protect the
25 national soil, water, and forest and wildlife resources from

1 waste and depletion, to protect interstate and foreign com-
2 merce from the burdens and obstructions which result from
3 the utilization of farm land for the production of excessive
4 supplies of agricultural commodities, and to provide for the
5 conservation of such resources and an adequate, balanced,
6 and orderly flow of such agricultural commodities in inter-
7 state and foreign commerce. To effectuate the policy of
8 Congress and the purposes of this Act programs are herein
9 authorized to assist farmers to divert a portion of their crop-
10 land from the production of excessive supplies of agricul-
11 tural commodities, and to carry out a program of soil, water,
12 forest and wildlife conservation. The activities authorized
13 under this Act are supplementary to the acreage allotments
14 and marketing quotas authorized under the Agricultural
15 Adjustment Act of 1938, as amended, and together with
16 such acreage allotments and marketing quotas, constitute
17 an overall program to prevent excessive supplies of agri-
18 cultural commodities from burdening and obstructing inter-
19 state and foreign commerce.

20 SUBTITLE A—ACREAGE RESERVE PROGRAM

21 TERMS AND CONDITIONS

22 SEC. 203. (a) Notwithstanding any other provision of
23 law, the Secretary of Agriculture (hereinafter referred to as
24 the "Secretary") is authorized and directed to formulate and
25 carry out an acreage reserve program for the 1956, 1957,

1 1958, and 1959 crops of wheat, cotton, corn produced in the
2 commercial corn-producing area, other feed grains (corn
3 produced outside the commercial corn-producing area, grain
4 sorghums, barley, rye and oats), peanuts, rice, flue-cured
5 tobacco, burley tobacco, Maryland tobacco, dark air-cured
6 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
7 binder tobacco types 51, 52, 54, and 55, and Ohio Cigar
8 filler tobacco types 42, 43, and 44, respectively (hereinafter
9 referred to as "the commodity"), under which producers
10 shall be compensated for reducing their acreages of the com-
11 modity below their farm acreage allotments or their farm
12 base acreages, whichever may be applicable. To be eligible
13 for such compensation the producer (1) shall reduce his
14 acreage of the commodity below his farm acreage allotment
15 or farm base acreage, whichever may be applicable, within
16 such limits as the Secretary may prescribe, (2) shall specifi-
17 cally designate the acreage so withdrawn from the production
18 of such commodity (hereinafter referred to as the "reserve
19 acreage"), and (3) shall not harvest any crop from, or
20 graze, the reserve acreage unless the Secretary, after certifi-
21 cation by the governor of the State in which such acreage is
22 situated of the need for grazing on such acreage, determines
23 that it is necessary to permit grazing thereon in order to
24 alleviate damage, hardship, or suffering caused by severe
25 drought, flood, or other natural disaster, and consents to such

1 grazing. Reserve acreage of a commodity may include acre-
2 age whether or not planted to the production of the 1956
3 crop of the commodity prior to the announcement of the acre-
4 age reserve program for the 1956 crop if the crop thereon,
5 if any, shall be plowed under or otherwise physically in-
6 corporated into the soil, or clipped, mowed, or cut to prevent
7 maturing so that the reduction in acreage of the commodity
8 below the acreage allotment occurs within twenty-one days
9 after the enactment of this Act, or by such later date as may
10 be fixed by the Secretary. The reserve acreage shall be in
11 addition to any acreage devoted to the conservation reserve
12 program authorized under subtitle B of this Act. The acre-
13 age reserve program may include such terms and conditions,
14 in addition to those specifically provided for herein, including
15 provisions relating to control of noxious weeds on the reserve
16 acreage, as the Secretary determines are desirable to effectu-
17 ate the purposes of this Act and to facilitate the practical
18 administration of the acreage reserve program.

19 Before any producer is entitled to receive any compen-
20 sation for participating in the acreage reserve program, he
21 must first enter into a contract with the Secretary, which
22 contract, in addition to such other terms and conditions as
23 may be prescribed by the Secretary, shall contain provisions
24 by which such producer shall agree—

25 (i) in the event that the Secretary determines that

1 there has been a violation of the contract at any stage
2 during the time such producer has control of the farm
3 and that such violation is of such a substantial nature
4 as to warrant termination of the contract, to forfeit all
5 rights to payments or grants under the contract, and to
6 refund to the United States all payments and grants
7 received by him thereunder; and

8 (ii) in the event that the Secretary determines that
9 there has been a violation of the contract but that such
10 violation is of such a nature as not to warrant termina-
11 tion of the contract, to accept such payment adjustments,
12 forfeit such benefits, and make such refunds to the United
13 States of payments and benefits received by him, under
14 the contract, as the Secretary may determine to be
15 appropriate.

16 (b) (1) There is hereby established for each year for
17 which an acreage reserve program is in effect for corn a
18 total base acreage of corn for the commercial corn-producing
19 area proclaimed under section 327 of the Agriculture Adjust-
20 ment Act of 1938, as amended, of fifty-one million acres.
21 The total base acreage of corn for the commercial corn-pro-
22 ducing area shall be apportioned by the Secretary among the
23 counties in such area on the basis of the acreage of corn in
24 such counties during the five calendar years immediately pre-
25 ceding the calendar year in which the apportionment is made

1 (plus, in applicable years the acreage diverted under previ-
2 ous agricultural adjustment, conservation, and soil bank pro-
3 grams), with adjustments for abnormal weather conditions,
4 for trends in acreage during such period and for the promo-
5 tion of soil-conservation practices: *Provided*, That any down-
6 ward adjustment for the promotion of soil-conservation prac-
7 tices shall not exceed 2 per centum of the total base acreage
8 that would otherwise be apportioned to the county. The
9 base acreage for the county shall be apportioned by the Sec-
10 retary, through the local committee, among the farms within
11 the county on the basis of past acreage of corn (planted and
12 diverted), tillable acreage crop-rotation practices, types of
13 soil, and topography.

14 (c) For each year in which an acreage reserve program
15 will be in effect for corn, a farm base acreage shall be es-
16 tablished for feed grains. For 1956, in the commercial
17 corn-producing area, such farm base acreage for feed grains
18 shall be the average acreage on the farm planted to grain
19 sorghums, barley, rye, and oats, for the three years
20 1953, 1954, and 1955; and outside the commercial corn-
21 producing area, such farm base acreage for feed grains shall
22 be the average acreage on the farm planted to grain sorg-
23 hums, barley, rye, oats, and corn, for all three years 1953,
24 1954, and 1955. For 1957 and subsequent years in which
25 an acreage reserve program will be in effect for corn, there

1 is hereby established a total base acreage for feed grains
2 (corn produced outside the commercial corn-producing area,
3 grain sorghums, barley, rye, and oats). Such total base
4 acreage for feed grains shall be the average acreage, planted
5 to such feed grains for the three years 1953, 1954, and 1955,
6 adjusted to reflect any change in the commercial corn-pro-
7 ducing area. The total base acreage of feed grains shall be
8 apportioned by the Secretary among the States on the basis
9 of the acreage of feed grains (planted and diverted) in such
10 States for the five calendar years immediately preceding the
11 calendar year in which the apportionment is made, with
12 adjustments for abnormal weather conditions and for trends
13 in acreage during such period. The base acreage of feed
14 grains for each State, less a reserve not to exceed 3 per
15 centum thereof for apportionment as provided by this sub-
16 section, shall be apportioned by the Secretary among the
17 counties on the basis of the acreage of feed grains (planted
18 and diverted) in such counties for the five calendar years
19 immediately preceding the calendar year in which the ap-
20 portionment is made, with adjustments for abnormal weather
21 conditions, for trends in acreage during such period and for
22 the promotion of soil-conservation practices: *Provided*, That
23 any downward adjustment for the promotion of soil-conser-
24 vation practices shall not exceed 2 per centum of the total
25 base acreage that would otherwise be apportioned to the

1 county. The base acreage for the county shall be appor-
2 tioned by the Secretary, through the local committees,
3 among the farms within the county on the basis of past
4 acreage of feed grains (planted and diverted) tillable acre-
5 age, crop-rotation practices, type of soil and topography.
6 The reserve set aside herein shall be apportioned to farms on
7 which feed grains have not been planted for any of the crops
8 for the three years immediately preceding the year for which
9 the apportionment is made (such farms are hereinafter called
10 "new feed grain farms"). Producers shall not be eligible
11 for compensation under the acreage reserve program for feed
12 grains, on new feed grain farms. For purposes of this sub-
13 section, and section 214 the terms "plant" or "planted",
14 as used with respect to feed grains, other than corn, shall
15 mean plant or planted for harvest as grain.

16 EXTENT OF PARTICIPATION IN PROGRAM

17 SEC. 204. For purposes of the acreage reserve program
18 the Secretary shall establish a national reserve acreage goal
19 for the 1956, 1957, 1958, and 1959 crops of each commod-
20 ity specified in section 203 (a). The limits within which
21 individual farms may participate in the acreage reserve pro-
22 gram shall be established in such manner as the Secretary
23 determines is reasonably calculated to achieve the national
24 reserve acreage goal and give producers a fair and equitable

1 opportunity to participate in the acreage reserve program
2 taking into consideration their acreage allotments or farm
3 base acreages, whichever may be applicable, the supply
4 and demand conditions for different classes, grades, and
5 qualities of the commodity, and such other factors as he
6 deems appropriate.

7 COMPENSATION OF PRODUCERS

8 SEC. 205. (a) Producers shall be compensated for par-
9 ticipating in the acreage reserve program through the issu-
10 ance of negotiable certificates which the Commodity Credit
11 Corporation shall redeem in accordance with regulations pre-
12 scribed by the Secretary (1) in cash upon presentation by
13 the producer or by any holder in due course or (2) at the
14 option of the producer in the case of certificates issued with
15 respect to grains and upon presentation by him, in grains
16 (such grains to be valued by the Secretary at such levels
17 as he determines will not materially impair the market price
18 for such grain yet will, to the maximum extent practicable
19 encourage acceptance of payment in grains in lieu of cash) :
20 *Provided*, That disposition of quantities of stocks hereunder
21 in any one year shall be limited to not more than two-thirds
22 of such quantities of such commodities as the Secretary deter-
23 mines would be a reasonable estimate of what would have
24 been produced for marketing during such marketing year on
25 the acreage withheld from production under the provisions

1 of this Act: *And provided further*, That such stocks shall
2 not be released prior to the end of the normal harvesting
3 season for the particular commodity being released. Com-
4 pensation under this section shall be at such rate or rates as
5 the Secretary determines will provide producers with a fair
6 and reasonable return for reducing their acreage of the com-
7 modity, taking into consideration the loss of production of
8 the commodity on the reserve acreage, any savings in the
9 cost which result from not planting the commodity on the
10 reserve acreage, and the incentive necessary to achieve the
11 reserve acreage goal. The Secretary shall make an adjust-
12 ment in yields for drought, flood, or other abnormal condi-
13 tions in estimating the loss of production for purposes of
14 establishing rates of compensation. The rates of payment
15 offered under this section shall be such as to encourage pro-
16 ducers to underplant their allotments more than one year.
17 Commodities delivered to producers in redemption of such
18 certificate shall not be eligible for tender to Commodity
19 Credit Corporation under the price support program.

20 (b) The total compensation paid producers for par-
21 ticipating in the acreage reserve program with respect to
22 any year's crops shall not exceed \$750,000,000, and with
23 respect to any commodity for any year shall not exceed
24 the amount shown below: Wheat, \$375,000,000; cotton,
25 \$300,000,000; corn in the commercial corn-producing area,

1 \$300,000,000; other feed grains, \$175,000,000; peanuts,
2 \$7,000,000; rice, \$23,000,000; and tobacco, \$45,000,000.

3 The total amount available for the acreage reserve program
4 for any year's crops shall be apportioned among the various
5 commodities on the basis of the amounts required to achieve
6 the reserve acreage goal for each commodity established
7 under section 204.

8 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

9 SEC. 206. (a) In the future establishment of State,
10 county, and farm acreage allotments under the Agricultural
11 Adjustment Act of 1938, as amended, or base acreages
12 under this Act, reserve acreages applicable to any com-
13 modity shall be credited to State, county, and farm as though
14 such acreage had actually been devoted to the production
15 of the commodity.

16 (b) In applying the provisions of paragraph (6) of
17 Public Law 74, Seventy-seventh Congress (7 U. S. C.
18 1340 (6)), and sections 326 (b) and 356 (g) of the
19 Agricultural Adjustment Act of 1938, as amended (7
20 U. S. C. 1326 (b), 1356 (g)), relating to reduction of
21 the storage amounts of wheat and rice, the reserve acreage
22 of the commodity on any farm shall be regarded as wheat
23 acreage or rice acreage, as the case may be, on the farm.

1 SUBTITLE B—CONSERVATION RESERVE PROGRAM

2 TERMS AND CONDITIONS

3 SEC. 207. (a) To effectuate the purposes of this Act
4 the Secretary is hereby authorized to enter into contracts
5 for periods of not less than three years with producers
6 determined by him to have control for the contract period
7 of the farms covered by the contract wherein the producer
8 shall agree—

9 (1) to establish and maintain for the contract
10 period protective vegetative cover (including but not
11 limited to grass and trees), water storage facilities, or
12 other soil-, water-, wildlife-, or forest-conserving uses
13 on a specifically designated acreage of land on the
14 farm regularly used in the production of crops (includ-
15 ing crops, such as tame hay, alfalfa, and clovers, which
16 do not require annual tillage) ;

17 (2) to devote to conserving crops or uses, or allow
18 to remain idle, throughout the contract period an acreage
19 of the remaining land on the farm which is not less than
20 than the acreage normally devoted only to conserving
21 crops or uses or normally allowed to remain idle on such
22 remaining acreage ;

23 (3) not to harvest any crop from the acreage estab-

1 lished in protective vegetative cover, excepting timber
2 (in accordance with sound forestry management) and
3 wildlife or other natural products of such acreage which
4 do not increase supplies of feed for domestic animals;

5 (4) not to graze any acreage established in protec-
6 tive vegetative cover prior to January 1, 1959, or such
7 later date as may be provided in the contract, except
8 pursuant to the provisions of section 203 (a) (3)
9 hereof; and if such acreage is grazed at the end of such
10 period, to graze such acreage during the remainder of
11 the period covered by the contract in accordance with
12 sound pasture management;

13 (5) not to adopt any practice, or divert lands on the
14 farm from conservation, woods, grazing, or other use,
15 to any use specified by the Secretary in the contract as
16 a practice or use which would tend to defeat the purposes
17 of the contract;

18 (6) (A) in the event that the Secretary determines
19 that there has been a violation of the contract at any
20 stage during the time such producer has control of the
21 farm and that such violation is of such a substantial nature
22 as to warrant termination of the contract, to forfeit all
23 rights to payments or grants under the contract, and to
24 refund to the United States all payments and grants
25 received by him thereunder;

1 (B) in the event that the Secretary determines that
2 there has been a violation of the contract but that such
3 violation is of such a nature as not to warrant termina-
4 tion of the contract, to accept such payment adjustments,
5 forfeit such benefits, and make such refunds to the United
6 States of payments and benefits received by him, under
7 the contract, as the Secretary may determine to be ap-
8 propriate; and

9 (7) to such additional provisions as the Secretary
10 determines are desirable and includes in the contract to
11 effectuate the purposes of this Act and to facilitate the
12 practical administration of the conservation reserve pro-
13 gram, including provisions relating to control of noxious
14 weeds.

15 (b) In return for such agreement by the producer the
16 Secretary shall agree:

17 (1) to bear such part of the cost (including labor)
18 of establishing and maintaining vegetative cover or water
19 storage facilities, or other soil-, water-, wildlife-, or
20 forest-conserving uses, on the designated acreage as the
21 Secretary determines to be necessary to effectuate the
22 purposes of this Act, but not to exceed a maximum
23 amount per acre or facility prescribed by the Secretary
24 for the county or area in which the farm is situated; and

25 (2) to make an annual payment to the producer

1 for the term of the contract upon determination that he
2 has fulfilled the provisions of the contract entitling him
3 to such payment. The rate or rates of the annual pay-
4 ment to be provided for in the contracts shall be estab-
5 lished on such basis as the Secretary determines will
6 provide producers with a fair and reasonable annual
7 return on the land established in protective vegetative
8 cover or water storage facilities, or other soil-, water-,
9 wildlife-, or forest-conserving uses, taking into considera-
10 tion the value of the land for the production of com-
11 modities customarily grown on such kind of land in the
12 county or area, the prevailing rates for cash rentals for
13 similar land in the county or area, the incentive neces-
14 sary to obtain contracts covering sufficient acreage for
15 the substantial accomplishment of the purposes of the
16 conservation reserve program, and such other factors as
17 he deems appropriate. Such rate or rates may be
18 determined on an individual farm basis, a county or area
19 basis, or such other basis as the Secretary determines
20 will facilitate the practical administration of the program.

21 (c) In determining the lands in any area to be covered
22 by contracts entered into under this section, the Secretary
23 may use advertising and bid procedure if he determines that
24 such action will contribute to the effective and equitable
25 administration of the conservation reserve program.

1 (d) A contract shall not be terminated under paragraph
2 (6) of subsection (a) unless the nature of the violation is
3 such as to defeat or substantially impair the purposes of the
4 contract. Whenever the State committee believes that there
5 has been a violation which would warrant termination of a
6 contract, the producer shall be given written notice thereof
7 by registered mail or personal service, and the producer
8 shall if he requests such an opportunity within thirty days
9 after the delivery or service of such notice, be given an
10 opportunity to show cause, in an informal proceeding be-
11 fore the county committee under regulations promulgated
12 by the Secretary, why the contract should not be terminated.
13 If the producer does not request an opportunity to show
14 cause why the contract should not be terminated within
15 such thirty-day period, the determination of the State com-
16 mittee made in accordance with regulations of the Secretary,
17 shall be final and conclusive. If the producer within such
18 thirty-day period requests an opportunity to show cause
19 why the contract should not be terminated, the county com-
20 mittee, at the conclusion of the proceeding, shall submit a
21 report including its recommendations, to the State com-
22 mittee for a determination, on the basis of such report and
23 such other information as is available to the State commit-
24 tee, as to whether there has been a violation which would

1 warrant termination of the contract. The producer shall
2 be accorded the right, in accordance with regulations promul-
3 gated by the Secretary, to appear before the State commit-
4 tee in connection with the State committee's determination
5 of the issue. The producer shall be given written notice by
6 registered mail or personal service of the State committee's
7 determination. If the producer feels aggrieved by such
8 determination, he may obtain judicial review of such deter-
9 mination by filing a complaint with the United States dis-
10 trict court for the district in which the land covered by the
11 contract is located, within ninety days after the delivery or
12 service of notice of such determination, requesting the court
13 to set aside such determination. Service of process in such
14 action shall be made in accordance with the rule for service
15 of process upon the United States prescribed by the Rules
16 of Civil Procedure for the United States District Courts.
17 The copy of the summons and complaint required to be
18 delivered to the officer or agency whose order is being
19 attacked shall be sent to the chairman of the State commit-
20 tee. The action in the United States district court shall
21 be a trial de novo to determine whether there has been a
22 violation which would warrant termination of the contract.
23 If the producer does not seek judicial review of the State
24 committee's determination, within the ninety-day period
25 allowed therefor, the State committee's determination shall

1 be final and conclusive. The terms "county committee" and
2 "State committee" as used herein refer to the county and
3 State committees established under section 8 of the Soil
4 Conservation and Domestic Allotment Act, as amended.

5 CONSERVATION RESERVE GOAL

6 SEC. 208. (a) The Secretary shall not later than Feb-
7 ruary 1 of each year determine and announce the national
8 conservation reserve goal for such year. Such goal shall be
9 that percentage which the Secretary determines it is prac-
10 ticable to cover by contracts during such year of the number
11 of acres, if any, by which (1) the acreage used for the
12 production of agricultural commodities during the year pre-
13 ceding the year for which such determination is made, plus
14 any acreage then in the acreage or conservation reserve pro-
15 gram or retired from production as a result of acreage allot-
16 ments or marketing quotas, exceeds (2) the acreage needed
17 during the year for which such determination is made for
18 the production of agricultural commodities for domestic con-
19 sumption and export and an adequate allowance for carry-
20 over. As soon as practicable after the enactment of this Act
21 the Secretary shall determine the national conservation acre-
22 age goal for 1956.

23 (b) In distributing the national acreage goal among
24 the various States and major crop production regions, the
25 Secretary shall give due regard to the respective needs of

1 the various States and regions for flood control, drought con-
2 trol, and other conservation benefits; the desires of pro-
3 ducers in particular States or regions to participate in the
4 conservation program; the diversion of acreage from crops
5 under acreage allotments or marketing quotas; and the need
6 to assure adequate production of agricultural commodities
7 and products not in surplus and to discourage the production
8 of agricultural commodities and products in surplus.

9 (c) The Secretary shall transmit to the Congress on or
10 before March 15 of each year a report of the scope of the
11 conservation reserve program for the preceding year and the
12 basis for participation in such program in the various States
13 and major crop production regions of the country.

14 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

15 SEC. 209. (a) The Secretary is authorized to formulate
16 and announce programs under this subtitle B and to enter
17 into contracts thereunder with producers during the five-
18 year period 1956-1960 to be carried out during the period
19 ending not later than December 31, 1969, except that con-
20 tracts for the establishment of tree cover may continue until
21 December 31, 1974.

22 (b) The period covered by any contract shall not ex-
23 ceed ten years, except that contracts for the establishment
24 of tree cover may extend for fifteen years.

25 (c) In carrying out the conservation reserve program,

1 the Secretary shall not enter into contracts with producers
2 which would require payments to producers, including the
3 cost of materials and services, in excess of \$450,000,000, in
4 any calendar year.

5 TERMINATION AND MODIFICATION OF CONTRACTS

6 SEC. 210. (a) The Secretary may terminate any con-
7 tract with a producer by mutual agreement with the producer
8 if the Secretary determines that such termination would be
9 in the public interest.

10 (b) The Secretary may agree to such modification of
11 contracts previously entered into as he may determine to be
12 desirable to carry out the purposes of this Act and to facilitate
13 the practical administration of the conservation reserve
14 program.

15 CONSERVATION MATERIALS AND SERVICES

16 SEC. 211. (a) The Secretary may purchase or produce
17 conservation materials and services and make such materials
18 and services available to producers under the conservation
19 reserve program to aid them in establishing vegetative cover
20 or water storage facilities, or other soil-, water-, wildlife-, or
21 forest-conserving uses, under contracts authorized by this sub-
22 title B, may reimburse any Federal, State, or local govern-
23 ment agency for conservation materials and services furnished
24 by such agency, and may pay expenses necessary in making
25 such materials, and services available, including all or part of

1 the costs incident to the delivery, application, or installation
2 of materials and services.

3 (b) Notwithstanding any other provision of law, in mak-
4 ing conservation materials and services available to pro-
5 ducers hereunder, the Secretary may make payments, in ad-
6 vance of determination of performance by the producers to
7 persons who fill purchase orders covering approved con-
8 servation materials or who render services to the Secretary in
9 furnishing to producers approved conservation materials or
10 services for the establishment by the producers of vegetative
11 cover or water storage facilities, or other soil-, water-, wild-
12 life-, or forest-conserving uses, under contracts authorized
13 by this subtitle B. The price at which purchase orders for
14 any conservation material or service are filled may be
15 limited, if the Secretary determines that it is necessary in the
16 interest of producers and the Government, to a fair price
17 fixed in accordance with regulations prescribed by the
18 Secretary.

19 EFFECT ON OTHER PROGRAMS

20 SEC. 212. Notwithstanding any other provision of law—

21 (1) insofar as the acreage of cropland on any
22 farm enters into the determination of acreage allotments
23 and marketing quotas under the Agricultural Adjust-
24 ment Act of 1938, as amended, the cropland acreage on

1 the farm shall not be deemed to be decreased during the
2 period of any contract entered into under the conserva-
3 tion reserve program by reason of the establishment and
4 maintenance of vegetative cover or water storage facili-
5 ties, or other soil-, water-, wildlife-, or forest-conserving
6 uses, under such contract; and

7 (2) the acreage on any farm which is determined
8 under regulations of the Secretary to have been diverted
9 from the production of any commodity in order to carry
10 out the contract entered into under the conservation
11 reserve program shall be considered acreage devoted to
12 the commodity for the purposes of establishing future
13 State, county, and farm acreage allotments under the
14 Agricultural Adjustment Act of 1938, as amended, and
15 base acreages under this Act.

16 GEOGRAPHICAL APPLICABILITY

17 SEC. 213. This subtitle B shall apply to the continental
18 United States, and, if the Secretary determines it to be in the
19 national interest, to one or more of the Territories of Alaska
20 and Hawaii, the Commonwealth of Puerto Rico, and the
21 Virgin Islands, and as used in this subtitle B, the term
22 "State" includes Alaska, Hawaii, Puerto Rico, and the
23 Virgin Islands.

1 SUBTITLE C—GENERAL PROVISIONS

2 COMPLIANCE WITH ACREAGE ALLOTMENTS

3 SEC. 214. No person shall be eligible for payments or
4 compensation under this Act with respect to any farm for
5 any year in which (1) the acreage of any basic agri-
6 cultural commodity other than wheat or corn on the farm
7 exceeds the farm acreage allotment for the commodity
8 under the title III of the Agricultural Adjustment Act
9 of 1938, as amended, or (2) the wheat acreage on the
10 farm exceeds the larger of the farm wheat acreage allot-
11 ment under such title or fifteen acres, or (3) the corn
12 acreage on the farm, in the case of a farm in the com-
13 mercial corn-producing area, exceeds the farm base acre-
14 age for corn, or (4) the acreage planted to feed grains
15 on the farm exceeds the farm base acreage for feed grains,
16 except that such requirement for compliance with the farm
17 base acreage for feed grains shall not apply for 1956. For
18 the purpose of this section, a producer shall not be deemed
19 to have exceeded his farm acreage allotment or farm base
20 acreage, unless such producer knowingly exceeded such
21 allotment or base acreage and, in the case of wheat, unless
22 such producer knowingly exceeded the farm acreage allot-
23 ment or fifteen acres, whichever is larger.

1 REAPPORTIONMENT PROHIBITED

2 SEC. 215. No acreage diverted from the production of
3 any commodity subject to acreage allotments as a result of
4 participation in the acreage reserve or conservation reserve
5 programs shall be reapportioned or allotted to any other farm.

6 CERTIFICATE OF CLAIMANT

7 SEC. 216. (a) Payment or compensation authorized by
8 this Act may be made upon the certificate of the claimant, in
9 such form as the Secretary may prescribe, that he has com-
10 plied with all requirements for such payment and that the
11 statements and information contained in the application for
12 payment are correct and true, to the best of his knowledge
13 and belief.

14 (b) Notwithstanding any other provision of law, the
15 Secretary may make an advance payment to the producer of
16 not to exceed 50 per centum of the compensation which would
17 become due the producer under his contract to participate
18 in the acreage reserve program; and may in any year make
19 an advance payment to the producer of not to exceed 50 per
20 centum of the annual payment for such year which would
21 become due the producer under his contract to participate
22 in the conservation reserve program.

1 UTILIZATION OF LOCAL AND STATE COMMITTEES

2 SEC. 217. In administering this Act in the continental
3 United States, the Secretary shall utilize the services of local,
4 county, and State committees established under section 8
5 of the Soil Conservation and Domestic Allotment Act, as
6 amended.

7 UTILIZATION OF OTHER AGENCIES

8 SEC. 218. With respect to conservation aspects of any
9 program under this Act, the Secretary shall consult with the
10 soil-conservation districts, State foresters, State game and
11 fish agencies, land-grant colleges, and other appropriate
12 agencies of State governments, and with the Fish and Wild-
13 life Service in the formulation of program provisions at the
14 State and county levels. The technical resources of the Soil
15 Conservation Service, the Forest Service, the land-grant col-
16 leges, the States foresters, State game and fish agencies, the
17 Fish and Wildlife Service, and other appropriate technical
18 services shall be utilized, so far as practicable, to assure coor-
19 dination of conservation activities and a solid technical founda-
20 tion for the program.

21 UTILIZATION OF LAND USE CAPABILITY DATA

22 SEC. 219. In administering this Act the Secretary shall
23 utilize to the fullest practicable extent land use capability
24 data, including capability surveys as developed by the Soil

1 Conservation Service, and shall carry forward to completion
2 as rapidly as possible the basic land inventory of the Nation.

3 FINANCING

4 SEC. 220. (a) The Secretary is authorized to utilize the
5 facilities, services, authority and funds of the Commodity
6 Credit Corporation in discharging his functions and respon-
7 sibilities under this Act, including payment of costs of ad-
8 ministration for the programs authorized under this Act:
9 *Provided*, That the Secretary shall, prior to February 1,
10 1957, or such earlier date as may be practicable, submit to
11 the Congress for immediate reference to the Committees on
12 Appropriations of the Senate and House of Representatives
13 a full program of all operations under this Act which will
14 require the making of expenditures during the fiscal year
15 ending June 30, 1958; and, after June 30, 1957, the Com-
16 modity Credit Corporation shall not make any expenditures
17 for carrying out the purposes of this Act unless the Corpora-
18 tion has received funds to cover such expenditures from
19 appropriation made to carry out the purposes of this Act.
20 There are hereby authorized to be appropriated such sums as
21 may be necessary to carry out the purposes of this Act, in-
22 cluding such amounts as may be required to make payments
23 to the Corporation for its actual costs incurred or to be
24 incurred under this section.

1 (b) All funds available for carrying out the purposes
2 of this Act shall be available for transfer to such agencies
3 of the Federal or State governments as the Secretary may
4 request to cooperate or assist in carrying out this Act; and
5 for technical assistance in formulating and carrying out the
6 programs authorized by this Act. The Secretary may make
7 such payments in advance of determination of performance.

8 FINALITY OF DETERMINATIONS

9 SEC. 221. The facts constituting the basis for any pay-
10 ment or compensation, or the amount thereof, authorized to
11 be made under this Act, when officially determined in con-
12 formity with applicable regulations prescribed by the Secre-
13 tary, shall be final and conclusive and shall not be review-
14 able by any other officer or agency of the Government. In
15 case any producer who is entitled to any payment or com-
16 pensation dies, becomes incompetent, or disappears before
17 receiving such payment or compensation, or is succeeded by
18 another who renders or completes the required performance,
19 the payment or compensation shall, without regard to any
20 other provisions of law, be made as the Secretary may de-
21 termine to be fair and reasonable in all the circumstances and
22 so provide by regulations.

23 PROTECTION OF TENANTS AND SHARECROPPERS

24 SEC. 222. In the formulation and administration of pro-
25 grams under this Act, the Secretary shall provide adequate

1 safeguards to protect the interests of tenants and share-
2 croppers, including provision for sharing, on a fair and
3 equitable basis, in payments or compensation under this
4 Act, and including such provision as may be necessary to
5 prevent them from being forced off the farm. Applications
6 to participate in any such program shall specify the basis
7 on which the landlord, tenants, and sharecroppers are to
8 share in such payments or compensation, and no contract
9 under any such program shall be entered into unless such
10 basis is approved by the county committee and incorporated
11 in the contract. The standards prescribed by the Secretary
12 for the guidance of county committees in determining
13 whether any such basis shall be approved shall include
14 the requirement that consideration be given to the respective
15 contributions which would have been made by the landlord,
16 tenants, and sharecroppers in the production of the crops
17 which would have been produced on the acreage diverted
18 from production under the contract and the basis on which
19 they would have shared in such crops or the proceeds thereof.

20 PENALTY FOR GRAZING OR HARVESTING

21 SEC. 223. Any producer who knowingly and willfully
22 grazes or harvests any crop from any acreage in violation
23 of a contract entered into under section 203 or 207 shall
24 be subject to a civil penalty equal to 50 per centum of the
25 compensation payable for compliance with such contract

1 for the year in which the violation occurs. Such penalty
2 shall be in addition to any amounts required to be forfeited
3 or refunded under the provisions of such contract, and shall
4 be recoverable in a civil suit brought in the name of the
5 United States.

6 REGULATIONS

7 SEC. 224. The Secretary shall prescribe such regula-
8 tions as he determines necessary to carry out the provisions
9 of this title.

10 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

11 SEC. 225. The President shall, with respect to farm-
12 lands now or hereafter owned by the Federal Government;
13 restrict insofar as practicable the leasing of such lands for
14 the production of price supported crops in surplus supply.

15 POOLING OF CONSERVATION RESERVE LAND

16 SEC. 226. Whenever management of family farms or
17 optimum land use will be aided, the Secretary of Agriculture
18 is authorized to permit farmers to pool their rights to partici-
19 pate jointly in the conservation reserve program on property
20 other than their home farms.

21 SUBTITLE D—FORESTRY PROVISIONS

22 ASSISTANCE TO STATES FOR TREE PLANTING AND

23 REFORESTATION

24 SEC. 227. (a) The Congress hereby finds and declares
25 that building up and maintaining a level of timber growing

1 stocks adequate to meet the Nation's domestic needs for a
2 dependable future supply of industrial wood is essential to the
3 public welfare and security; that assisting in improving and
4 protecting the more than fifty million acres of idle non-
5 Federal and Federal lands for this purpose would not only
6 add to the economic strength of the Nation, but also bring
7 increased public benefits from other values associated with
8 forest cover, and that it is the policy of the Congress that
9 the Secretary of Agriculture in order to encourage, promote,
10 and assure fully adequate future resources of readily available
11 timber should assist the States in undertaking needed pro-
12 grams of tree planting.

13 (b) Any State forester or equivalent State official may
14 submit to the Secretary of Agriculture a plan for forest land
15 tree planting and reforestation for the purpose of effecting
16 the policy hereinbefore stated.

17 (c) When the Secretary of Agriculture has approved
18 the plan, he is hereby authorized and directed to assist the
19 State in carrying out such plan, which assistance may in-
20 clude giving of advice and technical assistance, and furnish-
21 ing financial contributions: *Provided*, That, for the non-
22 Federal forest land tree planting and reforestation, the finan-
23 cial contribution expended by the Federal Government dur-
24 ing any fiscal year to assist the State to carry out the plan
25 shall not exceed the amount expended by the State for the

1 same purposes during the same fiscal year, and the Secretary
2 of Agriculture is authorized to make financial contributions
3 on the certificate of the State official in charge of the admin-
4 istration of the plan as to the amount of expenditures made
5 by the State.

6 (d) In any plan that coordinates forest lands under
7 the jurisdiction of any Federal agency other than the Depart-
8 ment of Agriculture, the Secretary of Agriculture shall ob-
9 tain the cooperation and assistance of the Federal agency
10 having jurisdiction and the appropriate State forester in the
11 approval and carrying out of the plan.

12 (e) The Secretary of Agriculture may prescribe such
13 rules and regulations as may be appropriate to carry out the
14 purposes of this section.

15 (f) There are hereby authorized to be appropriated such
16 sums as may be necessary to carry out the objects of this
17 section, such sums to remain available until expended.

A BILL

To provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes.

By Mr. AIKEN, Mr. ALIOT, Mr. ANDERSON, Mr. BEALL,
Mr. BENDER, Mr. BENNETT, Mr. BRICKER, Mr.
BRIDGES, Mr. BUSH, Mr. BUTLER, Mr. CAPEHART,
Mr. CARLSON, Mr. CASE of New Jersey, Mr. CASE
of South Dakota, Mr. COTTON, Mr. CURTIS, Mr.
DIKSEN, Mr. DUFF, Mr. EASTLAND, Mr. FLANDERS,
Mr. GOLDWATER, Mr. HICKENLOOPER, Mr. HOLLAND,
Mr. HRUSKA, Mr. IVES, Mr. JENNER, Mr. KENNEDY,
Mr. KNOWLAND, Mr. KUCHEL, Mr. MARTIN of Iowa,
Mr. MARTIN of Pennsylvania, Mr. MILLIKIN, Mr.
MUNDT, Mr. PAYNE, Mr. POTTER, Mr. PURCELL, Mr.
SALTONSTALL, Mr. SCHOEPPel, Mrs. SMITH of Maine,
Mr. SMITH of New Jersey, Mr. THYE, Mr. WAT-
KINS, Mr. WILEY, and Mr. YOUNG

APRIL 18 (legislative day, April 9), 1956

Read twice and referred to the Committee on
Agriculture and Forestry

84TH CONGRESS
2D SESSION

H. R. 10604

H. R. 10604

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 1956

Mr. HOPE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Soil Bank Act”.

SHORT TITLE

5 SEC. 201. This Act may be cited as the “Soil Bank
6 Act”.

DECLARATION OF POLICY

8 SEC. 202. The Congress hereby finds that the produc-
9 tion of excessive supplies of agricultural commodities de-

1 presses the prices and income of farm families; constitutes
2 improper land use and brings about soil erosion, depletion
3 of soil fertility, and too rapid release of water from lands
4 where it falls, thereby adversely affecting the national wel-
5 fare, impairing the productive facilities necessary for a con-
6 tinuous and stable supply of agricultural commodities, and
7 endangering an adequate supply of water for agricultural
8 and nonagricultural use; overtaxes the facilities of interstate
9 and foreign transportation; congests terminal markets and
10 handling and processing centers in the flow of commodities
11 from producers to consumers; depresses prices in interstate
12 and foreign commerce; disrupts the orderly marketing of
13 commodities in such commerce; and otherwise affects,
14 burdens, and obstructs interstate and foreign commerce.
15 It is in the interest of the general welfare that the soil and
16 water resources of the Nation be not wasted and depleted in
17 the production of such burdensome surpluses and that inter-
18 state and foreign commerce in agricultural commodities be
19 protected from excessive supplies. It is hereby declared
20 to be the policy of the Congress and the purposes of this
21 Act to protect and increase farm income, to protect the
22 national soil, water, and forest and wildlife resources from
23 waste and depletion, to protect interstate and foreign com-
24 merce from the burdens and obstructions which result from
25 the utilization of farm land for the production of excessive

1 supplies of agricultural commodities, and to provide for the
2 conservation of such resources and an adequate, balanced,
3 and orderly flow of such agricultural commodities in inter-
4 state and foreign commerce. To effectuate the policy of
5 Congress and the purposes of this Act programs are herein
6 authorized to assist farmers to divert a portion of their
7 cropland from the production of excessive supplies of agri-
8 cultural commodities, and to carry out a program of soil,
9 water, forest and wildlife conservation. The activities
10 authorized under this Act are supplementary to the acreage
11 allotments and marketing quotas authorized under the
12 Agricultural Adjustment Act of 1938, as amended, and
13 together with such acreage allotments and marketing
14 quotas, constitute an overall program to prevent excessive
15 supplies of agricultural commodities from burdening and
16 obstructing interstate and foreign commerce.

17 SUBTITLE A—ACREAGE RESERVE PROGRAM

18 TERMS AND CONDITIONS

19 SEC. 203. (a) Notwithstanding any other provision
20 of law, the Secretary of Agriculture (hereinafter referred
21 to as the "Secretary") is authorized and directed to formu-
22 late and carry out an acreage reserve program for the 1956,
23 1957, 1958, and 1959 crops of wheat, cotton, corn, pro-
24 duced in the commercial corn-producing area, other feed
25 grains (corn produced outside the commercial corn-produc-

1 ing area, grain sorghums, barley, rye and oats), peanuts,
2 rice, flue-cured tobacco, burley tobacco, Maryland tobacco,
3 dark air-cured tobacco, fire-cured tobacco, Virginia sun-
4 cured tobacco, cigar binder tobacco types 51, 52, 54, and
5 55, and Ohio cigar filler tobacco types 42, 43, and 44
6 respectively (hereinafter referred to as "the commodity"),
7 under which producers shall be compensated for reducing
8 their acreages of the commodity below their farm acreage
9 allotments or their farm base acreages, whichever may be
10 applicable. To be eligible for such compensation the pro-
11 ducer (1) shall reduce his acreage of the commodity below
12 his farm acreage allotment or farm base acreage, which-
13 ever may be applicable, within such limits as the Secretary
14 may prescribe, (2) shall specifically designate the acreage
15 so withdrawn from the production of such commodity (here-
16 inafter referred to as the "reserve acreage"), and (3) shall
17 not harvest any crop from, or graze, the reserve acreage
18 unless the Secretary, after certification by the governor of
19 the State in which such acreage is situated of the need for
20 grazing on such acreage, determines that it is necessary
21 to permit grazing thereon in order to alleviate damage,
22 hardship, or suffering caused by severe drought, flood, or
23 other natural disaster, and consents to such grazing. Re-
24 serve acreage of a commodity may include acreage whether
25 or not planted to the production of the 1956 crop of the

1 commodity prior to the announcement of the acreage reserve
2 program for the 1956 crop if the crop thereon, if any, shall
3 be plowed under or otherwise physically incorporated into
4 the soil, or clipped, mowed, or cut to prevent maturing so
5 that the reduction in acreage of the commodity below the
6 acreage allotment occurs within twenty-one days after the
7 enactment of this Act, or by such later date as may be fixed
8 by the Secretary. The reserve acreage shall be in addi-
9 tion to any acreage devoted to the conservation reserve
10 program authorized under subtitle B of this Act. The
11 acreage reserve program may include such terms and condi-
12 tions, in addition to those specifically provided for herein,
13 including provisions relating to control of noxious weeds on
14 the reserve acreage, as the Secretary determines are de-
15 sirable to effectuate the purposes of this Act and to facili-
16 tate the practical administration of the acreage reserve
17 program.

18 Before any producer is entitled to receive any compen-
19 sation for participating in the acreage reserve program, he
20 must first enter into a contract with the Secretary, which
21 contract, in addition to such other terms and conditions as
22 may be prescribed by the Secretary, shall contain provisions
23 by which such producer shall agree:

24 (i) in the event that the Secretary determines that
25 there has been a violation of the contract at any stage

1 during the time such producer has control of the farm
2 and that such violation is of such a substantial nature as
3 to warrant termination of the contract, to forfeit all
4 rights to payments or grants under the contract, and to
5 refund to the United States all payments and grants re-
6 ceived by him thereunder;

7 (ii) in the event that the Secretary determines that
8 there has been a violation of the contract but that such
9 violation is of such a nature as not to warrant termina-
10 tion of the contract, to accept such payment adjustments,
11 forfeit such benefits, and make such refunds to the
12 United States of payments and benefits received by him,
13 under the contract, as the Secretary may determine to be
14 appropriate.

15 (b) (1) There is hereby established for each year for
16 which an acreage reserve program is in effect for corn a total
17 base acreage of corn for the commercial corn-producing area
18 proclaimed under section 327 of the Agricultural Adjustment
19 Act of 1938, as amended, of fifty-one million acres. The
20 total base acreage of corn for the commercial corn-producing
21 area shall be apportioned by the Secretary among the counties
22 in such area on the basis of the acreage of corn in such
23 counties during the five calendar years immediately preceding
24 the calendar year in which the apportionment is made (plus,
25 in applicable years the acreage diverted under previous agri-

1 cultural adjustment, conservation, and soil bank programs),
2 with adjustments for abnormal weather conditions, for trends
3 in acreage during such period and for the promotion of soil-
4 conservation practices: *Provided*, That any downward adjust-
5 ment for the promotion of soil-conservation practices shall
6 not exceed 2 per centum of the total base acreage that would
7 otherwise be apportioned to the county. The base acreage
8 for the county shall be apportioned by the Secretary, through
9 the local committees, among the farms within the county
10 on the basis of past acreage of corn (planted and diverted),
11 tillable acreage crop-rotation practices, types of soil, and
12 topography.

13 (c) For each year in which an acreage reserve program
14 will be in effect for corn, a farm base acreage shall be estab-
15 lished for feed grains. For 1956, in the commercial corn-pro-
16 ducing area, such farm base acreage for feed grains shall
17 be the average acreage on the farm planted to grain
18 sorghums, barley, rye, and oats, for the three years 1953,
19 1954, and 1955; and outside the commercial corn-producing
20 area, such farm base acreage for feed grains shall be the
21 average acreage on the farm planted to grain sorghums,
22 barley, rye, oats, and corn, for all three years 1953, 1954,
23 and 1955. For 1957 and subsequent years in which an
24 acreage reserve program will be in effect for corn, there is
25 hereby established a total base acreage for feed grains (corn

1 produced outside the commercial corn-producing area, grain
2 sorghums, barley, rye, and oats). Such total base acreage
3 for feed grains shall be the average acreage, planted to such
4 feed grains for the three years 1953, 1954, and 1955, ad-
5 justed to reflect any change in the commercial corn-produc-
6 ing area. The total base acreage of feed grains shall be
7 apportioned by the Secretary among the States on the basis
8 of the acreage of feed grains (planted and diverted) in such
9 States for the five calendar years immediately preceding the
10 calendar year in which the apportionment is made, with ad-
11 justments for abnormal weather conditions and for trends in
12 acreage during such period. The base acreage of feed grains
13 for each State, less a reserve not to exceed 3 per centum
14 thereof for apportionment as provided by this subsection,
15 shall be apportioned by the Secretary among the counties
16 on the basis of the acreage of feed grains (planted and
17 diverted) in such counties for the five calendar years imme-
18 diately preceding the calendar year in which the apportion-
19 ment is made, with adjustments for abnormal weather condi-
20 tions, for trends in acreage during such period and for the
21 promotion of soil-conservation practices: *Provided*, That any
22 downward adjustment for the promotion of soil-conservation
23 practices shall not exceed 2 per centum of the total base
24 acreage that would otherwise be apportioned to the county.
25 The base acreage for the county shall be apportioned by the

1 Secretary, through the local committee, among the farms
2 within the county on the basis of past acreage of feed grains
3 (planted and diverted) tillable acreage, crop-rotation prac-
4 tices, type of soil, and topography. The reserve set aside
5 herein shall be apportioned to farms on which feed grains
6 have not been planted for any of the crops for the three years
7 immediately preceding the year for which the apportionment
8 is made (such farms are hereinafter called "new feed grain
9 farms"). Producers shall not be eligible for compensation
10 under the acreage reserve program for feed grains on new
11 feed grain farms. For purposes of this subsection, and sec-
12 tion 214, the terms "plant" or "planted", as used with re-
13 spect to feed grains, other than corn, shall mean plant or
14 planted for harvest as grain.

15 EXTENT OF PARTICIPATION IN PROGRAM

16 SEC. 204. For purposes of the acreage reserve program
17 the Secretary shall establish a national reserve acreage goal
18 for the 1956, 1957, 1958, and 1959 crops of each com-
19 modity specified in section 203 (a). The limits within
20 which individual farms may participate in the acreage reserve
21 program shall be established in such manner as the Secretary
22 determines is reasonably calculated to achieve the national
23 reserve acreage goal and give producers a fair and equitable
24 opportunity to participate in the acreage reserve program,

1 taking into consideration their acreage allotments or farm
2 base acreages, whichever may be applicable, the supply and
3 demand conditions for different classes, grades, and qualities
4 of the commodity, and such other factors as he deems
5 appropriate.

6 COMPENSATION OF PRODUCERS

7 SEC. 205. (a) Producers shall be compensated for par-
8 ticipating in the acreage reserve program through the issu-
9 ance of negotiable certificates which the Commodity Credit
10 Corporation shall redeem in accordance with regulations pre-
11 scribed by the Secretary (1) in cash upon presentation by
12 the producer or by any holder in due course or (2) at the
13 option of the producer in the case of certificates issued with
14 respect to grains and upon presentation by him, in grains
15 (such grains to be valued by the Secretary at such levels as
16 he determines will not materially impair the market price for
17 such grain yet will, to the maximum extent practicable en-
18 courage acceptance of payment in grains in lieu of cash) :
19 *Provided*, That disposition of quantities of stocks hereunder
20 in any one year shall be limited to not more than two-thirds
21 of such quantities of such commodities as the Secretary deter-
22 mines would be a reasonable estimate of what would have
23 been produced for marketing during such marketing year on
24 the acreage withheld from production under the provisions of

1 this title: *And provided further*, That such stocks shall not be
2 released prior to the end of the normal harvesting season for
3 the particular commodity being released. Compensation
4 under this section shall be at such rate or rates as the Secre-
5 tary determines will provide producers with a fair and reason-
6 able return for reducing their acreage of the commodity, tak-
7 ing into consideration the loss of production of the commodity
8 on the reserve acreage, any savings in the cost which result
9 from not planting the commodity on the reserve acreage, and
10 the incentive necessary to achieve the reserve acreage goal.
11 The Secretary shall make an adjustment in yields for drought,
12 flood, or other abnormal conditions in estimating the loss of
13 production for purposes of establishing rates of compensation.
14 The rates of payment offered under this section shall be such
15 as to encourage producers to underplant their allotments
16 more than one year. Commodities delivered to producers in
17 redemption of such certificate shall not be eligible for tender
18 to Commodity Credit Corporation under the price support
19 program.

20 (b) The total compensation paid producers for partici-
21 pating in the acreage reserve program with respect to any
22 year's crops shall not exceed \$750,000,000 and with respect
23 to any commodity for any year shall not exceed the amount
24 shown below: Wheat, \$375,000,000; cotton, \$300,000,-

1 000; corn in the commercial corn-producing area, \$300,000,-
2 000; other feed grains, \$175,000,000; peanuts, \$7,000,000;
3 rice, \$23,000,000; and tobacco, \$45,000,000. The total
4 amount available for the acreage reserve program for any
5 year's crops shall be apportioned among the various com-
6 modities on the basis of the amounts required to achieve the
7 reserve acreage goal for each commodity established under
8 section 204.

9 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

10 SEC. 206. (a) In the future establishment of State,
11 county and farm acreage allotments under the Agricultural
12 Adjustment Act of 1938, as amended, or base acreages under
13 this title, reserve acreages applicable to any commodity shall
14 be credited to State, county, and farm as though such acre-
15 age had actually been devoted to the production of the com-
16 modity.

17 (b) In applying the provisions of paragraph (6) of
18 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
19 (6)), and sections 326 (b) and 356 (g) of the Agricultural
20 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b) ,
21 1356 (g)), relating to reduction of the storage amounts of
22 wheat and rice, the reserve acreage of the commodity on any
23 farm shall be regarded as wheat acreage or rice acreage, as
24 the case may be, on the farm.

1 SUBTITLE B—CONSERVATION RESERVE PROGRAM

2 TERMS AND CONDITIONS

3 SEC. 207. (a) To effectuate the purposes of this Act
4 the Secretary is hereby authorized to enter into contracts
5 for periods of not less than three years with producers deter-
6 mined by him to have control for the contract period of the
7 farms covered by the contract wherein the producer shall
8 agree—

9 (1) to establish and maintain for the contract
10 period protective vegetative cover (including but not
11 limited to grass and trees), water storage facilities, or
12 other soil-, water-, wildlife-, or forest-conserving uses
13 on a specifically designated acreage of land on the farm
14 regularly used in the production of crops (including
15 crops such as tame hay, alfalfa, and clovers which do not
16 require annual tillage) ;

17 (2) to devote to conserving crops or uses, or allow
18 to remain idle, throughout the contract period an acre-
19 age of the remaining land on the farm which is not less
20 than the acreage normally devoted only to conserving
21 crops or uses or normally allowed to remain idle on such
22 remaining acreage ;

23 (3) not to harvest any crop from the acreage estab-
24 lished in protective vegetative cover, excepting timber

1 (in accordance with sound forestry management) and
2 wildlife or other natural products of such acreage which
3 do not increase supplies of feed for domestic animals;

4 (4) not to graze any acreage established in protec-
5 tive vegetative cover prior to January 1, 1959, or such
6 later date as may be provided in the contract, except
7 pursuant to the provisions of section 203 (a) (3)
8 hereof; and if such acreage is grazed at the end of
9 such period, to graze such acreage during the remainder
10 of the period covered by the contract in accordance with
11 sound pasture management;

12 (5) not to adopt any practice, or divert lands on
13 the farm from conservation, woods, grazing, or other
14 use, to any use specified by the Secretary in the contract
15 as a practice or use which would tend to defeat the
16 purposes of the contract;

17 (6) (A) in the event that the Secretary deter-
18 mines that there has been a violation of the contract at
19 any stage during the time such producer has control of
20 the farm and that such violation is of such a substantial
21 nature as to warrant termination of the contract, to for-
22 feit all rights to payments or grants under the contract,
23 and to refund to the United States all payments and
24 grants received by him thereunder;

25 (B) In the event that the Secretary determines

1 that there has been a violation of the contract but that
2 such violation is of such a nature as not to warrant
3 termination of the contract, to accept such payment ad-
4 justments, forfeit such benefits, and make such refunds
5 to the United States of payments and benefits received
6 by him, under the contract, as the Secretary may deter-
7 mine to be appropriate; and

8 (7) to such additional provisions as the Secretary
9 determines are desirable and includes in the contract to
10 effectuate the purposes of this title and to facilitate the
11 practical administration of the conservation reserve pro-
12 gram, including provisions relating to control of noxious
13 weeds.

14 (b) In return for such agreement by the producer the
15 Secretary shall agree—

16 (1) to bear such part of the cost (including labor)
17 of establishing and maintaining vegetative cover or water
18 storage facilities, or other soil-, water-, wildlife-, or
19 forest-conserving uses, on the designated acreage as the
20 Secretary determines to be necessary to effectuate the
21 purposes of this Act, but not to exceed a maximum
22 amount per acre or facility prescribed by the Secretary
23 for the county or area in which the farm is situated;
24 and

25 (2) to make an annual payment to the producer for

1 the term of the contract upon determination that he has
2 fulfilled the provisions of the contract entitling him to
3 such payment. The rate or rates of the annual payment
4 to be provided for in the contracts shall be established
5 on such basis as the Secretary determines will provide
6 producers with a fair and reasonable annual return on
7 the land established in protective vegetative cover or
8 water storage facilities, or other soil-, water-, wildlife-,
9 or forest-conserving uses, taking into consideration the
10 value of the land for the production of commodities
11 customarily grown on such kind of land in the county
12 or area, the prevailing rates for cash rentals for similar
13 land in the county or area, the incentive necessary to
14 obtain contracts covering sufficient acreage for the sub-
15 stantial accomplishment of the purposes of the conser-
16 vation reserve program, and such other factors as he
17 deems appropriate. Such rate or rates may be deter-
18 mined on an individual farm basis, a county or area basis,
19 or such other basis as the Secretary determines will
20 facilitate the practical administration of the program.

21 (c) In determining the lands in any area to be covered
22 by contracts entered into under this section, the Secretary
23 may use advertising and bid procedure if he determines that
24 such action will contribute to the effective and equitable
25 administration of the conservation reserve program.

1 (d) A contract shall not be terminated under para-
2 graph (6) of subsection (a) unless the nature of the viola-
3 tion is such as to defeat or substantially impair the purposes
4 of the contract. Whenever the State committee believes
5 that there has been a violation which would warrant termi-
6 nation of a contract, the producer shall be given written
7 notice thereof by registered mail or personal service, and the
8 producer shall if he requests such an opportunity within
9 thirty days after the delivery or service of such notice, be
10 given an opportunity to show cause, in an informal pro-
11 ceeding before the county committee under regulations prom-
12 ulgated by the Secretary, why the contract should not be
13 terminated. If the producer does not request an opportunity
14 to show cause why the contract should not be terminated
15 within such thirty-day period, the determination of the State
16 committee made in accordance with regulations of the Secre-
17 tary shall be final and conclusive. If the producer within
18 such thirty-day period requests an opportunity to show cause
19 why the contract should not be terminated, the county com-
20 mittee, at the conclusion of the proceeding, shall submit a
21 report including its recommendations, to the State com-
22 mittee for a determination, on the basis of such report and
23 such other information as is available to the State committee,
24 as to whether there has been a violation which would war-

1 rant termination of the contract. The producer shall be
2 accorded the right, in accordance with regulations promul-
3 gated by the Secretary, to appear before the State committee
4 in connection with the State committee's determination of
5 the issue. The producer shall be given written notice by
6 registered mail or personal service of the State committee's
7 determination. If the producer feels aggrieved by such de-
8 termination, he may obtain judicial review of such determina-
9 tion by filing a complaint with the United States district
10 court for the district in which the land covered by the con-
11 tract is located, within ninety days after the delivery or
12 service of notice of such determination, requesting the court
13 to set aside such determination. Service of process in such
14 action shall be made in accordance with the rule for service
15 of process upon the United States prescribed by the Rules of
16 Civil Procedure for the United States District Courts. The
17 copy of the summons and complaint required to be delivered
18 to the officer or agency whose order is being attacked shall
19 be sent to the chairman of the State committee. The action
20 in the United States district court shall be a trial de novo to
21 determine whether there has been a violation which would
22 warrant termination of the contract. If the producer does
23 not seek judicial review of the State committee's determina-
24 tion, within the ninety-day period allowed therefor, the
25 State committee's determination shall be final and conclusive.

1 The terms "county committee" and "State committee" as
2 used herein refer to the county and State committees estab-
3 lished under section 8 of the Soil Conservation and Domestic
4 Allotment Act, as amended.

5 CONSERVATION RESERVE GOAL

6 SEC. 208. (a) The Secretary shall not later than Feb-
7 ruary 1 of each year determine and announce the national
8 conservation reserve goal for such year. Such goal shall be
9 that percentage which the Secretary determines it is prac-
10 ticable to cover by contracts during such year of the num-
11 ber of acres, if any, by which (1) the acreage used for
12 the production of agricultural commodities during the year
13 preceding the year for which such determination is made,
14 plus any acreage then in the acreage or conservation reserve
15 program or retired from production as a result of acreage
16 allotments or marketing quotas, exceed (2) the acreage
17 needed during the year for which such determination is made
18 for the production of agricultural commodities for domestic
19 consumption and export and an adequate allowance for
20 carryover. As soon as practicable after the enactment of
21 this Act the Secretary shall determine the national con-
22 servation acreage goal for 1956.

23 (b) In distributing the national acreage goal among
24 the various States and major crop production regions, the
25 Secretary shall give due regard to the respective needs of the

1 various States and regions for flood control, drought control,
2 and other conservation benefits; the desires of producers in
3 particular States or regions to participate in the conser-
4 vation program; the diversion of acreage from crops under
5 acreage allotments or marketing quotas; and the need to
6 assure adequate production of agricultural commodities and
7 products not in surplus and to discourage the production
8 of agricultural commodities and products in surplus.

9 (c) The Secretary shall transmit to the Congress on
10 or before March 15 of each year a report of the scope of the
11 conservation reserve program for the preceding year and the
12 basis for participation in such program in the various States
13 and major crop production regions of the country.

14 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

15 SEC. 209. (a) The Secretary is authorized to formulate
16 and announce programs under this subtitle B and to enter
17 into contracts thereunder with producers during the five-
18 year period 1956-1960 to be carried out during the period
19 ending not later than December 31, 1969, except that con-
20 tracts for the establishment of tree cover may continue until
21 December 31, 1974.

22 (b) The period covered by any contract shall not ex-
23 ceed ten years, except that contracts for the establishment
24 of tree cover may extend for fifteen years.

25 (c) In carrying out the conservation reserve program,

1 the Secretary shall not enter into contracts with producers
2 which would require payments to producers, including the
3 cost of materials and services, in excess of \$450,000,000, in
4 any calendar year.

5 TERMINATION AND MODIFICATION OF CONTRACTS

6 SEC. 210. (a) The Secretary may terminate any con-
7 tract with a producer by mutual agreement with the pro-
8 ducer if the Secretary determines that such termination
9 would be in the public interest.

10 (b) The Secretary may agree to such modification of
11 contracts previously entered into as he may determine to
12 be desirable to carry out the purposes of this Act and to
13 facilitate the practical administration of the conservation
14 reserve program.

15 CONSERVATION MATERIALS AND SERVICES

16 SEC. 211. (a) The Secretary may purchase or produce
17 conservation materials and services and make such materials
18 and services available to producers under the conservation
19 reserve program to aid them in establishing vegetative cover
20 or water storage facilities, or other soil-, water-, wildlife-, or
21 forest-conserving uses, under contracts authorized by this
22 subtitle B, may reimburse any Federal, State, or local gov-
23 ernment agency for conservation materials and services
24 furnished by such agency, and may pay expenses necessary
25 in making such materials and services available, including

1 all or part of the costs incident to the delivery, application,
2 or installation of materials and services.

3 (b) Notwithstanding any other provision of law, in
4 making conservation materials and services available to pro-
5 ducers hereunder, the Secretary may make payments, in ad-
6 vance of determination of performance by the producers, to
7 persons who fill purchase orders covering approved conser-
8 vation materials or who render services to the Secretary in
9 furnishing to producers approved conservation materials or
10 service for the establishment by the producers of vegetative
11 cover or water storage facilities, or other soil-, water-, wild-
12 life-, or forest-conserving uses, under contracts authorized
13 by this subtitle B. The price at which purchase orders for
14 any conservation material or service are filled may be lim-
15 ited, if the Secretary determines that it is necessary in the
16 interest of producers and the Government, to a fair price
17 fixed in accordance with regulations prescribed by the Sec-
18 retary.

19 EFFECT ON OTHER PROGRAMS

20 SEC. 212. Notwithstanding any other provision of law—

21 (1) insofar as the acreage of cropland on any farm
22 enters into the determination of acreage allotments and
23 marketing quotas under the Agricultural Adjustment Act
24 of 1938, as amended, the cropland acreage on the farm

1 shall not be deemed to be decreased during the period
2 of any contract entered into under the conservation re-
3 serve program by reason of the establishment and main-
4 tenance of vegetative cover or water storage facilities,
5 or other soil-, water-, wildlife-, or forest-conserving
6 uses, under such contract; and

7 (2) the acreage on any farm which is determined
8 under regulations of the Secretary to have been diverted
9 from the production of any commodity in order to carry
10 out the contract entered into under the conservation re-
11 serve program shall be considered acreage devoted to
12 the commodity for the purposes of establishing future
13 State, county, and farm acreage allotments under the
14 Agricultural Adjustment Act of 1938, as amended, and
15 base acreages under this Act.

16 GEOGRAPHICAL APPLICABILITY

17 SEC. 213. This subtitle B shall apply to the continental
18 United States, and, if the Secretary determines it to be in
19 the national interest, to one or more of the Territories of
20 Alaska and Hawaii, the Commonwealth of Puerto Rico, and
21 the Virgin Islands, and as used in this subtitle B, the term
22 "State" includes Alaska, Hawaii, Puerto Rico, and the
23 Virgin Islands.

1 SUBTITLE C—GENERAL PROVISIONS

2 COMPLIANCE WITH ACREAGE ALLOTMENTS

3 SEC. 214. No person shall be eligible for payments or
4 compensation under this Act with respect to any farm for
5 any year in which (1) the acreage of any basic agricultural
6 commodity other than wheat or corn on the farm exceeds
7 the farm acreage allotment for the commodity under title III
8 of the Agricultural Adjustment Act of 1938, as amended,
9 or (2) the wheat acreage on the farm exceeds the larger of
10 the farm wheat acreage allotment under such title or fifteen
11 acres, or (3) the corn acreage on the farm, in the case of a
12 farm in the commercial corn-producing area, exceeds the
13 farm base acreage for corn or (4) the acreage planted to
14 feed grains on the farm exceeds the farm base acreage for
15 feed grains, except that such requirement for compliance with
16 the farm base acreage for feed grains shall not apply for 1956.
17 For the purpose of this section, a producer shall not be
18 deemed to have exceeded his farm acreage allotment or farm
19 base acreage, unless such producer knowingly exceeded such
20 allotment or base acreage and, in the case of wheat, unless
21 such producer knowingly exceeded the farm acreage allot-
22 ment or fifteen acres, whichever is larger.

23 REAPPORTIONMENT PROHIBITED

24 SEC. 215. No acreage diverted from the production of
25 any commodity subject to acreage allotments as a result of

1 participation in the acreage reserve or conservation reserve
2 programs shall be reapportioned or allotted to any other
3 farm.

4 CERTIFICATE OF CLAIMANT

5 SEC. 216. (a) Payment or compensation authorized by
6 this Act may be made upon the certificate of the claimant, in
7 such form as the Secretary may prescribe, that he has com-
8 plied with all requirements for such payment and that the
9 statements and information contained in the application for
10 payment are correct and true, to the best of his knowledge
11 and belief.

12 (b) Notwithstanding any other provision of law, the
13 Secretary may make an advance payment to the producer of
14 not to exceed 50 per centum of the compensation which
15 would become due the producer under his contract to partici-
16 pate in the acreage reserve program; and may in any year
17 make an advance payment to the producer of not to exceed
18 50 per centum of the annual payment for such year which
19 would become due the producer under his contract to partici-
20 pate in the conservation reserve program.

21 UTILIZATION OF LOCAL AND STATE COMMITTEES

22 SEC. 217. In administering this Act in the continental
23 United States, the Secretary shall utilize the services of local,
24 county, and State committees established under section 8 of

1 the Soil Conservation and Domestic Allotment Act, as
2 amended.

3 UTILIZATION OF OTHER AGENCIES

4 SEC. 218. With respect to conservation aspects of any
5 program under this Act, the Secretary shall consult with the
6 soil-conservation districts, State foresters, State game and
7 fish agencies, land-grant colleges, and other appropriate
8 agencies of State governments, and with the Fish and Wild-
9 life Service in the formulation of program provisions at the
10 State and county levels. The technical resources of the Soil
11 Conservation Service, the Forest Service, the land-grant
12 colleges, the State foresters, State game and fish agencies,
13 the Fish and Wildlife Service, and other appropriate techni-
14 cal services shall be utilized, so far as practicable, to assure
15 coordination of conservation activities and a solid technical
16 foundation for the program.

17 UTILIZATION OF LAND USE CAPABILITY DATA

18 SEC. 219. In administering this Act the Secretary shall
19 utilize to the fullest practicable extent land use capability
20 data, including capability surveys as developed by the Soil
21 Conservation Service, and shall carry forward to completion
22 as rapidly as possible the basic land inventory of the Nation.

23 FINANCING

24 SEC. 220. (a) The Secretary is authorized to utilize the
25 facilities, services, authority, and funds of the Commodity

1 Credit Corporation in discharging his functions and respon-
2 sibilities under this Act, including payment of costs of ad-
3 ministration for the programs authorized under this Act:
4 *Provided*, That the Secretary shall, prior to February 1,
5 1957, or such earlier date as may be practicable, submit to
6 the Congress for immediate reference to the Committees on
7 Appropriations of the Senate and House of Representatives
8 a full program of all operations under this Act which will
9 require the making of expenditures during the fiscal year
10 ending June 30, 1958; and, after June 30, 1957, the Com-
11 modity Credit Corporation shall not make any expenditures
12 for carrying out the purposes of this Act unless the Corpora-
13 tion has received funds to cover such expenditures from ap-
14 propriations made to carry out the purposes of this Act.
15 There are hereby authorized to be appropriated such sums as
16 may be necessary to carry out the purposes of this Act, in-
17 cluding such amounts as may be required to make payments
18 to the Corporation for its actual costs incurred or to be in-
19 curred under this section.

20 (b) All funds available for carrying out the purposes of
21 this Act shall be available for transfer to such agencies of the
22 Federal or State governments as the Secretary may request
23 to cooperate or assist in carrying out this act; and for techni-
24 cal assistance in formulating and carrying out the programs

1 authorized by this Act. The Secretary may make such pay-
2 ments in advance of determination of performance.

3 FINALITY OF DETERMINATIONS

4 SEC. 221. The facts constituting the basis for any pay-
5 ment or compensation, or the amount thereof, authorized to
6 be made under this Act, when officially determined in con-
7 formity with applicable regulations prescribed by the Secre-
8 tary, shall be final and conclusive and shall not be reviewable
9 by any other officer or agency of the Government. In case
10 any producer who is entitled to any payment or compensa-
11 tion dies, becomes incompetent, or disappears before receiv-
12 ing such payment or compensation, or is succeeded by
13 another who renders or completes the required performance,
14 the payment or compensation shall, without regard to any
15 other provisions of law, be made as the Secretary may deter-
16 mine to be fair and reasonable in all the circumstances and so
17 provide by regulations.

18 PROTECTION OF TENANTS AND SHARECROPPERS

19 SEC. 222. In the formulation and administration of
20 programs under this Act, the Secretary shall provide ade-
21 quate safeguards to protect the interests of tenants and
22 sharecroppers, including provision for sharing, on a fair
23 and equitable basis, in payments or compensation under
24 this Act, and including such provision as may be necessary
25 to prevent them from being forced off the farm. Applica-

1 tions to participate in any such program shall specify the
2 basis on which the landlord, tenants, and sharecroppers are
3 to share in such payments or compensation, and no con-
4 tract under any such program shall be entered into unless
5 such basis is approved by the county committee and incorpo-
6 rated in the contract. The standards prescribed by the
7 Secretary for the guidance of county committees in deter-
8 mining whether any such basis shall be approved shall
9 include the requirement that consideration be given to the
10 respective contributions which would have been made
11 by the landlord, tenants, and sharecroppers in the produc-
12 tion of the crops which would have been produced on the
13 acreage diverted from production under the contract and
14 the basis on which they would have shared in such crops
15 or the proceeds thereof.

16 PENALTY FOR GRAZING OR HARVESTING

17 SEC. 223. Any producer who knowingly and willfully
18 grazes or harvests any crop from any acreage in violation
19 of a contract entered into under section 203 or 207 shall be
20 subject to a civil penalty equal to 50 per centum of the
21 compensation payable for compliance with such contract
22 for the year in which the violation occurs. Such penalty
23 shall be in addition to any amounts required to be forfeited
24 or refunded under the provisions of such contract, and shall

1 be recoverable in a civil suit brought in the name of the
2 United States.

3 REGULATIONS

4 SEC. 224. The Secretary shall prescribe such regula-
5 tions as he determines necessary to carry out the provisions
6 of this Act.

7 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

8 SEC. 225. The President shall with respect to farmlands
9 now or hereafter owned by the Federal Government, re-
10 strict insofar as practicable the leasing of such lands for the
11 production of price supported crops in surplus supply.

12 POOLING OF CONSERVATION RESERVE LAND

13 SEC. 226. Whenever management of family farms or
14 optimum land use will be aided, the Secretary of Agricul-
15 ture is authorized to permit farmers to pool their rights to
16 participate jointly in the conservation reserve program on
17 property other than their home farms.

18 SUBTITLE D—FORESTRY PROVISIONS

19 ASSISTANCE TO STATES FOR TREE PLANTING AND

20 REFORESTATION

21 SEC. 227. (a) The Congress hereby finds and declares
22 that building up and maintaining a level of timber growing
23 stocks adequate to meet the Nation's domestic needs for a de-
24 pendable future supply of industrial wood is essential to the
25 public welfare and security; that assisting in improving and

1 protecting the more than fifty million acres of idle non-
2 Federal and Federal lands for this purpose would not only
3 add to the economic strength of the Nation, but also bring
4 increased public benefits from other values associated with
5 forest cover, and that it is the policy of the Congress that
6 the Secretary of Agriculture in order to encourage, promote,
7 and assure fully adequate future resources of readily avail-
8 able timber should assist the States in undertaking needed
9 programs of tree planting.

10 (b) Any State forester or equivalent State official may
11 submit to the Secretary of Agriculture a plan for forest land
12 tree planting and reforestation for the purpose of effecting
13 the policy hereinbefore stated.

14 (c) When the Secretary of Agriculture has aproved
15 the plan, he is hereby authorized and directed to assist the
16 State in carrying out such plan, which assistance may include
17 giving of advice and technical assistance, and furnishing fi-
18 nancial contributions: *Provided*, That, for the non-Federal
19 forest land tree planting and reforestation, the financial con-
20 tribution expended by the Federal Government during any
21 fiscal year to assist the State to carry out the plan shall not
22 exceed the amount expended by the State for the same pur-
23 poses during the same fiscal year, and the Secretary of Agri-
24 culture is authorized to make financial contributions on the
25 certificate of the State official in charge of the administration

1 of the plan as to the amount of expenditures made by the
2 State.

3 (d) In any plan that coordinates forest lands under the
4 jurisdiction of any Federal agency other than the Depart-
5 ment of Agriculture, the Secretary of Agriculture shall ob-
6 tain the cooperation and assistance of the Federal agency
7 having jurisdiction and the appropriate State forester in the
8 approval and carrying out of the plan.

9 (e) The Secretary of Agriculture may prescribe such
10 rules and regulations as may be appropriate to carry out the
11 purposes of this section.

12 (f) There are hereby authorized to be appropriated
13 such sums as may be necessary to carry out the objects of
14 this section, such sums to remain available until expended.

A BILL

To provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes.

By Mr. HOPE

APRIL 18, 1956

Referred to the Committee on Agriculture

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 1956

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To enact the Agricultural Act of 1956.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1956".

TITLE I—SOIL BANK ACT

SHORT TITLE

7 SEC. 101. This title may be cited as the "Soil Bank Act".

DECLARATION OF POLICY

9 SEC. 102. The Congress hereby finds that the produc-
10 tion of excessive supplies of agricultural commodities de-
11 presses the prices and income of farm families; constitutes

1 improper land use and brings about soil erosion, depletion of
2 soil fertility, and too rapid release of water from lands
3 where it falls, thereby adversely affecting the national wel-
4 fare, impairing the productive facilities necessary for a con-
5 tinuous and stable supply of agricultural commodities, and
6 endangering an adequate supply of water for agricultural and
7 nonagricultural use; overtaxes the facilities of interstate and
8 foreign transportation; congests terminal markets and han-
9 dling and processing centers in the flow of commodities from
10 producers to consumers; depresses prices in interstate and
11 foreign commerce; disrupts the orderly marketing of com-
12 modities in such commerce; and otherwise affects, burdens,
13 and obstructs interstate and foreign commerce. It is in the
14 interest of the general welfare that the soil and water re-
15 sources of the Nation be not wasted and depleted in the
16 production of such burdensome surpluses and that interstate
17 and foreign commerce in agricultural commodities be pro-
18 tected from excessive supplies. It is hereby declared to be
19 the policy of the Congress and the purposes of this title to
20 protect and increase farm income, to protect the national soil,
21 water, and forest and wildlife resources from waste and
22 depletion, to protect interstate and foreign commerce from
23 the burdens and obstructions which result from the utilization
24 of farmland for the production of excessive supplies of
25 agricultural commodities, and to provide for the conservation

1 of such resources and an adequate, balanced, and orderly
2 flow of such agricultural commodities in interstate and for-
3 eign commerce. To effectuate the policy of Congress and
4 the purposes of this title programs are herein authorized to
5 assist farmers to divert a portion of their cropland from the
6 production of excessive supplies of agricultural commodities,
7 and to carry out a program of soil, water, forest and wildlife
8 conservation. The activities authorized under this title are
9 supplementary to the acreage allotments and marketing
10 quotas authorized under the Agricultural Adjustment Act of
11 1938, as amended, and together with such acreage allotments
12 and marketing quotas, constitute an overall program to pre-
13 vent excessive supplies of agricultural commodities from bur-
14 dening and obstructing interstate and foreign commerce.

15 SUBTITLE A—ACREAGE RESERVE PROGRAM

16 TERMS AND CONDITIONS

17 SEC. 103. (a) Notwithstanding any other provision of
18 law, the Secretary of Agriculture (hereinafter referred to as
19 the "Secretary") is authorized and directed to formulate and
20 carry out an acreage reserve program for the 1956, 1957,
21 1958, and 1959 crops of wheat, cotton, corn produced in the
22 commercial corn-producing area, other feed grains (corn
23 produced outside the commercial corn-producing area, grain
24 sorghums, barley, rye, and oats), peanuts, rice, flue-cured
25 tobacco, burley tobacco, Maryland tobacco, dark air-cured

1 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
2 binder tobacco types 51, 52, 54, and 55, and Ohio cigar
3 filler tobacco types 42, 43, and 44, respectively (hereinafter
4 referred to as "the commodity"), under which producers
5 shall be compensated for reducing their acreages of the
6 commodity below their farm acreage allotments or their
7 farm base acreages, whichever may be applicable. To be
8 eligible for such compensation the producer (1) shall re-
9 duce his acreage of the commodity below his farm acreage
10 allotment or farm base acreage, whichever may be appli-
11 cable, within such limits as the Secretary may prescribe, (2)
12 shall specifically designate the acreage so withdrawn from
13 the production of such commodity (hereinafter referred to
14 as the "reserve acreage"), and (3) shall not harvest any
15 crop from, or graze, the reserve acreage unless the Secretary,
16 after certification by the Governor of the State in which such
17 acreage is situated of the need for grazing on such acreage,
18 determines that it is necessary to permit grazing thereon in
19 order to alleviate damage, hardship, or suffering caused by
20 severe drought, flood, or other natural disaster, and consents
21 to such grazing. Reserve acreage of a commodity may in-
22 clude acreage whether or not planted to the production of
23 the 1956 crop of the commodity prior to the announcement
24 of the acreage reserve program for the 1956 crop if the
25 crop thereon, if any, shall be plowed under or otherwise

1 physically incorporated into the soil, or clipped, mowed, or
2 cut to prevent maturing so that the reduction in acreage of
3 the commodity below the acreage allotment occurs within
4 21 days after the enactment of this title, or by such later
5 date as may be fixed by the Secretary. The reserve acreage
6 shall be in addition to any acreage devoted to the conserva-
7 tion reserve program authorized under subtitle B of this
8 title. The acreage reserve program may include such terms
9 and conditions, in addition to those specifically provided for
10 herein, including provisions relating to control of noxious
11 weeds on the reserve acreage, as the Secretary determines
12 are desirable to effectuate the purposes of this title and to
13 facilitate the practical administration of the acreage reserve
14 program.

15 Before any producer is entitled to receive any compen-
16 sation for participating in the acreage reserve program, he
17 must first enter into a contract with the Secretary, which
18 contract, in addition to such other terms and conditions as
19 may be prescribed by the Secretary, shall contain provisions
20 by which such producer shall agree:

21 (i) In the event that the Secretary determines that
22 there has been a violation of the contract at any stage dur-
23 ing the time such producer has control of the farm and that
24 such violation is of such a substantial nature as to warrant
25 termination of the contract, to forfeit all rights to payments

1 or grants under the contract, and to refund to the United
2 States all payments and grants received by him thereunder.

3 (ii) In the event that the Secretary determines that
4 there has been a violation of the contract but that such vio-
5 lation is of such a nature as not to warrant termination of
6 the contract, to accept such payment adjustments, forfeit
7 such benefits, and make such refunds to the United States
8 of payments and benefits received by him, under the con-
9 tract, as the Secretary may determine to be appropriate.

10 (b) (1) There is hereby established for each year for
11 which an acreage reserve program is in effect for corn a
12 total base acreage of corn for the commercial corn-producing
13 area proclaimed under section 327 of the Agricultural Ad-
14 justment Act of 1938, as amended, of fifty-one million acres.
15 The total base acreage of corn for the commercial corn-
16 producing area shall be apportioned by the Secretary among
17 the counties in such area on the basis of the acreage of corn
18 in such counties during the five calendar years immediately
19 preceding the calendar year in which the apportionment
20 is made (plus, in applicable years, the acreage diverted
21 under previous agricultural adjustment, conservation, and
22 soil bank programs), with adjustments for abnormal weather
23 conditions, for trends in acreage during such period and for
24 the promotion of soil-conservation practices: *Provided*, That
25 any downward adjustment for the promotion of soil-conser-

1 vation practices shall not exceed 2 per centum of the total
2 base acreage that would otherwise be apportioned to the
3 county. The base acreage for the county shall be appor-
4 tioned by the Secretary, through the local committees,
5 among the farms within the county on the basis of past
6 acreage of corn (planted and diverted), tillable acreage
7 crop-rotation practices, types of soil, and topography.

8 (2) This subsection (b) shall become inoperative after
9 1956 if in the referendum conducted pursuant to section 308
10 (b), producers do not vote in favor of the program provided
11 in subsection (c) of such section.

12 (c) For each year in which an acreage reserve program
13 will be in effect for corn, a farm base acreage shall be estab-
14 lished for feed grains. For 1956, in the commercial corn-
15 producing area, such farm base acreage for feed grains shall
16 be the average acreage on the farm planted to grain sor-
17 ghums, barley, rye, and oats, for the three years 1953, 1954,
18 and 1955; and outside the commercial corn-producing area,
19 such farm base acreage for feed grains shall be the average
20 acreage on the farm planted to grain sorghums, barley, rye,
21 oats, and corn, for the three years 1953, 1954, and 1955.
22 For 1957 and subsequent years in which an acreage reserve
23 program will be in effect for corn, there is hereby established
24 a total base acreage for feed grain (corn produced outside the
25 commercial corn-producing area, grain sorghums, barley, rye,

1 and oats). Such total base acreage for feed grains shall be
2 the average acreage planted to such feed grains for the three
3 years 1953, 1954, and 1955, adjusted to reflect any change
4 in the commercial corn-producing area. The total base acre-
5 age of feed grains shall be apportioned by the Secretary
6 among the States on the basis of the acreage of feed grains
7 (planted and diverted) in such States for the five calendar
8 years immediately preceding the calendar year in which the
9 apportionment is made, with adjustments for abnormal
10 weather conditions and for trends in acreage during such
11 period. The base acreage of feed grains for each State, less
12 a reserve of not to exceed 3 per centum thereof for apportion-
13 ment as provided by this subsection, shall be apportioned by
14 the Secretary among the counties on the basis of the acreage
15 of feed grains (planted and diverted) in such counties for the
16 five calendar years immediately preceding the calendar year
17 in which the apportionment is made, with adjustments for
18 abnormal weather conditions, for trends in acreage during
19 such period and for the promotion of soil-conservation prac-
20 tices: *Provided*, That any downward adjustment for the pro-
21 motion of soil-conservation practices shall not exceed 2 per
22 centum of the total base acreage that would otherwise be
23 apportioned to the county. The base acreage for the county
24 shall be apportioned by the Secretary, through the local
25 committees, among the farms within the county on the basis

1 of past acreage of feed grains (planted and diverted), tillable
2 acreage, crop-rotation practices, type of soil, and topography.
3 The reserve set aside herein shall be apportioned to farms on
4 which feed grains have not been planted for any of the crops
5 for the three years immediately preceding the year for which
6 the apportionment is made (such farms are hereinafter called
7 "new feed grain farms"). Producers shall not be eligible for
8 compensation under the acreage reserve program for feed
9 grains, on new feed grain farms. For purposes of this sub-
10 section, section 114, and section 308 (d) the terms "plant"
11 or "planted", as used with respect to feed grains, other than
12 corn, shall mean plant or planted for harvest as grain.

13 EXTENT OF PARTICIPATION IN PROGRAM

14 SEC. 104. For purposes of the acreage reserve program
15 the Secretary shall establish a national reserve acreage goal
16 for the 1956, 1957, 1958, and 1959 crops of each com-
17 modity specified in section 103 (a). The limits within
18 which individual farms may participate in the acreage reserve
19 program shall be established in such manner as the Secre-
20 tary determines is reasonably calculated to achieve the na-
21 tional reserve acreage goal and give producers a fair and
22 equitable opportunity to participate in the acreage reserve
23 program, taking into consideration their acreage allotments
24 or farm base acreages, whichever may be applicable, the

1 supply and demand conditions for different classes, grades,
2 and qualities of the commodity, and such other factors as
3 he deems appropriate.

4 COMPENSATION OF PRODUCERS

5 SEC. 105. (a) Producers shall be compensated for par-
6 ticipating in the acreage reserve program through the issu-
7 ance of negotiable certificates which the Commodity Credit
8 Corporation shall redeem in accordance with regulations pre-
9 scribed by the Secretary (1) in cash upon presentation by
10 the producer or by any holder in due course or (2) at the
11 option of the producer in the case of certificates issued with
12 respect to grains and upon presentation by him, in grains
13 (such grains to be valued by the Secretary at such levels as
14 he determines will not materially impair the market price for
15 such grain yet will, to the maximum extent practicable en-
16 courage acceptance of payment in grains in lieu of cash) :
17 *Provided*, That disposition of quantities of stocks hereunder
18 in any one year shall be limited to not more than two-thirds
19 of such quantities of such commodities as the Secretary de-
20 termines would be a reasonable estimate of what would have
21 been produced for marketing during such marketing year on
22 the acreage withheld from production under the provisions
23 of this title: *And provided further*, That such stocks shall
24 not be released prior to the end of the normal harvesting
25 season for the particular commodity being released. Com-

1 pensation under this section shall be at such rate or rates
2 as the Secretary determines will provide producers with a
3 fair and reasonable return for reducing their acreage of the
4 commodity, taking into consideration the loss of production
5 of the commodity on the reserve acreage, any savings in cost
6 which result from not planting the commodity on the
7 reserve acreage, and the incentive necessary to achieve the
8 reserve acreage goal. The Secretary shall make an adjust-
9 ment in yields for drought, flood, or other abnormal condi-
10 tions in estimating the loss of production for purposes of es-
11 tablishing rates of compensation. The rates of payment
12 offered under this section shall be such as to encourage pro-
13 ducers to underplant their allotments more than one year
14 Commodities delivered to producers in redemption of such
15 certificates shall not be eligible for tender to Commodity
16 Credit Corporation under the price support program.

17 (b) No compensation shall be paid to any producer
18 for participating in the acreage reserve program for any
19 year until the Secretary has ascertained that such producer
20 has complied with the acreage reduction requirements of
21 such program for such year.

22 (c) The total compensation paid producers for partici-
23 pating in the acreage reserve program with respect to any
24 year's crops shall not exceed \$750,000,000, and with respect
25 to any commodity for any year shall not exceed the amount

1 shown below: Wheat, \$375,000,000; cotton, \$300,000,000;
 2 corn in the commercial corn-producing area, \$300,000,000;
 3 other feed grains, \$175,000,000; peanuts, \$7,000,000; rice,
 4 \$23,000,000; and tobacco, \$45,000,000. The total amount
 5 available for the acreage reserve program for any year's
 6 crops shall be apportioned among the various commodities
 7 on the basis of the amounts required to achieve the reserve
 8 acreage goal for each commodity established under section
 9 104.

10 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

11 SEC. 106. (a) In the future establishment of State,
 12 county, and farm acreage, allotments under the Agricultural
 13 Adjustment Act of 1938, as amended, or base acreages
 14 under this title, reserve acreages applicable to any commodity
 15 shall be credited to the State, county, and farm as though
 16 such acreage had actually been devoted to the production of
 17 the commodity.

18 (b) In applying the provisions of paragraph (6) of
 19 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
 20 (6)), and sections 326 (b) and 356 (g) of the Agricultural
 21 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b),
 22 1356 (g)), relating to reduction of the storage amounts of
 23 wheat and rice, the reserve acreage of the commodity on any
 24 farm shall be regarded as wheat acreage or rice acreage,
 25 as the case may be, on the farm.

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other

1 natural products of such acreage which do not increase
2 supplies of feed for domestic animals.

3 (4) Not to graze any acreage established in protective
4 vegetative cover prior to January 1, 1959, or such later
5 date as may be provided in the contract, except pursuant
6 to the provisions of section 103 (a) (3) hereof; and if such
7 acreage is grazed at the end of such period, to graze such
8 acreage during the remainder of the period covered by the
9 contract in accordance with sound pasture management.

10 (5) Not to adopt any practice, or divert lands on the
11 farm from conservation, woods, grazing, or other use, to any
12 use specified by the Secretary in the contract as a practice or
13 use which would tend to defeat the purposes of the contract.

14 (6) (A) In the event that the Secretary determines
15 that there has been a violation of the contract at any stage
16 during the time such producer has control of the farm and
17 that such violation is of such a substantial nature as to war-
18 rant termination of the contract, to forfeit all rights to pay-
19 ments or grants under the contract, and to refund to the
20 United States all payments and grants received by him
21 thereunder.

22 (B) In the event that the Secretary determines that
23 there has been a violation of the contract but that such
24 violation is of such a nature as not to warrant termination
25 of the contract, to accept such payment adjustments, forfeit

1 such benefits, and make such refunds to the United States
2 of payments and benefits received by him, under the con-
3 tract, as the Secretary may determine to be appropriate.

4 (7) To such additional provisions as the Secretary
5 determines are desirable and includes in the contract to
6 effectuate the purposes of this title and to facilitate the
7 practical administration of the conservation reserve pro-
8 gram, including provisions relating to control of noxious
9 weeds.

10 (b) In return for such agreement by the producer the
11 Secretary shall agree:

12 (1) To bear such part of the cost (including labor) of
13 establishing and maintaining vegetative cover or water
14 storage facilities, or other soil-, water-, wildlife-, or forest-
15 conserving uses, on the designated acreage as the Secretary
16 determines to be necessary to effectuate the purposes of this
17 title, but not to exceed a maximum amount per acre or
18 facility prescribed by the Secretary for the county or area
19 in which the farm is situated; and

20 (2) To make an annual payment to the producer for
21 the term of the contract upon determination that he has
22 fulfilled the provisions of the contract entitling him to such
23 payment. The rate or rates of the annual payment to be
24 provided for in the contracts shall be established on such
25 basis as the Secretary determines will provide producers

1 with a fair and reasonable annual return on the land estab-
2 lished in protective vegetative cover or water storage facili-
3 ties, or other soil-, water-, wildlife-, or forest-conserving uses,
4 taking into consideration the value of the land for the pro-
5 duction of commodities customarily grown on such kind of
6 land in the county or area, the prevailing rates for cash
7 rentals for similar land in the county or area, the incentive
8 necessary to obtain contracts covering sufficient acreage for
9 the substantial accomplishment of the purposes of the con-
10 servation reserve program, and such other factors as he
11 deems appropriate. Such rate or rates may be determined
12 on an individual farm basis, a county or area basis, or such
13 other basis as the Secretary determines will facilitate the
14 practical administration of the program.

15 (c) In determining the lands in any area to be covered
16 by contracts entered into under this section, the Secretary
17 may use advertising and bid procedure if he determines that
18 such action will contribute to the effective and equitable
19 administration of the conservation reserve program.

20 (d) A contract shall not be terminated under paragraph
21 (6) of subsection (a) unless the nature of the violation
22 is such as to defeat or substantially impair the purposes of
23 the contract. Whenever the State committee believes that
24 there has been a violation which would warrant termina-
25 tion of a contract, the producer shall be given written notice

1 thereof by registered mail or personal service, and the pro-
2 ducer shall, if he requests such an opportunity within thirty
3 days after the delivery or service of such notice, be given
4 an opportunity to show cause, in an informal proceeding
5 before the county committee under regulations promulgated
6 by the Secretary, why the contract should not be termi-
7 nated. If the producer does not request an opportunity
8 to show cause why the contract should not be terminated
9 within such thirty-day period, the determination of the State
10 committee made in accordance with regulations of the Sec-
11 retary shall be final and conclusive. If the producer within
12 such thirty-day period requests an opportunity to show cause
13 why the contract should not be terminated, the county com-
14 mittee, at the conclusion of the proceeding, shall submit a
15 report, including its recommendations, to the State commit-
16 tee for a determination, on the basis of such report and
17 such other information as is available to the State com-
18 mittee, as to whether there has been a violation which would
19 warrant termination of the contract. The producer shall be
20 accorded the right, in accordance with regulations promul-
21 gated by the Secretary, to appear before the State committee
22 in connection with the State committee's determination of
23 the issue. The producer shall be given written notice by
24 registered mail or personal service of the State committee's

1 determination. If the producer feels aggrieved by such de-
2 termination, he may obtain judicial review of such deter-
3 mination by filing a complaint with the United States dis-
4 trict court for the district in which the land covered by
5 the contract is located, within ninety days after the delivery
6 or service of notice of such determination, requesting the
7 court to set aside such determination. Service of process
8 in such action shall be made in accordance with the rule for
9 service of process upon the United States prescribed by the
10 Rules of Civil Procedure for the United States District
11 Courts. The copy of the summons and complaint required
12 to be delivered to the officer or agency whose order is being
13 attacked shall be sent to the chairman of the State com-
14 mittee. The action in the United States district court shall
15 be a trial de novo to determine whether there has been a
16 violation which would warrant termination of the contract.
17 If the producer does not seek judicial review of the State
18 committee's determination within the ninety-day period
19 allowed therefor, the State committee's determination shall
20 be final and conclusive. The terms "county committee" and
21 "State committee" as used herein refer to the county and
22 State committees established under section 8 of the Soil
23 Conservation and Domestic Allotment Act, as amended.

1 CONSERVATION RESERVE GOAL

2 SEC. 108. (a) The Secretary shall not later than Feb-
3 ruary 1 of each year determine and announce the national
4 conservation reserve goal for such year. Such goal shall
5 be that percentage which the Secretary determines it is
6 practicable to cover by contracts during such year of the
7 number of acres, if any, by which (1) the acreage used
8 for the production of agricultural commodities during the
9 year preceding the year for which such determination is
10 made, plus any acreage then in the acreage or conservation
11 reserve program or retired from production as a result of
12 acreage allotments or marketing quotas, exceeds (2) the
13 acreage needed during the year for which such determina-
14 tion is made for the production of agricultural commodities
15 for domestic consumption and export and an adequate allow-
16 ance for carryover. As soon as practicable after the enact-
17 ment of this title the Secretary shall determine the national
18 conservation acreage goal for 1956.

19 (b) In distributing the national acreage goal among
20 the various States and major crop production regions, the
21 Secretary shall give due regard to the respective needs of
22 the various States and regions for flood control, drought
23 control, and other conservation benefits; the desires of pro-

1 ducers in particular States or regions to participate in the
2 conservation program; the diversion of acreage from crops
3 under acreage allotments or marketing quotas; and the need
4 to assure adequate production of agricultural commodities
5 and products not in surplus and to discourage the produc-
6 tion of agricultural commodities and products in surplus.

7 (c) The Secretary shall transmit to the Congress on
8 or before March 15 of each year a report of the scope of
9 the conservation reserve program for the preceding year
10 and the basis for participation in such program in the
11 various States and major crop production regions of the
12 country.

13 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

14 SEC. 109. (a) The Secretary is authorized to formulate
15 and announce programs under this subtitle B and to enter
16 into contracts thereunder with producers during the five-
17 year period 1956-1960 to be carried out during the period
18 ending not later than December 31, 1969, except that
19 contracts for the establishment of tree cover may continue
20 until December 31, 1974.

21 (b) The period covered by any contract shall not
22 exceed ten years, except that contracts for the establishment
23 of tree cover may extend for fifteen years.

24 (c) In carrying out the conservation reserve program,
25 the Secretary shall not enter into contracts with producers

1 which would require payments to producers, including the
2 cost of materials and services, in excess of \$450,000,000
3 in any calendar year.

4 TERMINATION AND MODIFICATION OF CONTRACTS

5 SEC. 110. (a) The Secretary may terminate any con-
6 tract with a producer by mutual agreement with the pro-
7 ducer if the Secretary determines that such termination
8 would be in the public interest.

9 (b) The Secretary may agree to such modification of
10 contracts previously entered into as he may determine to
11 be desirable to carry out the purposes of this title and to
12 facilitate the practical administration of the conservation
13 reserve program.

14 CONSERVATION MATERIALS AND SERVICES

15 SEC. 111. (a) The Secretary may purchase or produce
16 conservation materials and services and make such materials
17 and services available to producers under the conservation
18 reserve program to aid them in establishing vegetative cover
19 or water storage facilities, or other soil-, water-, wildlife-,
20 or forest-conserving uses, under contracts authorized by this
21 subtitle B, may reimburse and Federal, State, or local govern-
22 ment agency for conservation materials and services fur-
23 nished by such agency, and may pay expenses necessary in
24 making such materials, and services available, including all

1 or part of the costs incident to the delivery, application,
2 or installation of materials and services.

3 (b) Notwithstanding any other provision of law, in
4 making conservation materials and services available to pro-
5 ducers hereunder, the Secretary may make payments, in
6 advance of determination of performance by the producers,
7 to persons who fill purchase orders covering approved con-
8 servation materials or who render services to the Secretary
9 in furnishing to producers approved conservation materials
10 or services for the establishment by the producers of vegeta-
11 tive cover or water storage facilities, or other soil-, water-,
12 wildlife-, or forest-conserving uses, under contracts authorized
13 by this subtitle B. The price at which purchase orders for
14 any conservation material or service are filled may be limited,
15 if the Secretary determines that it is necessary in the interest
16 of producers and the Government, to a fair price fixed in
17 accordance with regulations prescribed by the Secretary.

18 EFFECT ON OTHER PROGRAMS

19 SEC. 112. Notwithstanding any other provision of law—

20 (1) insofar as the acreage of cropland on any farm
21 enters into the determination of acreage allotments and
22 marketing quotas under the Agricultural Adjustment
23 Act of 1938, as amended, the cropland acreage on the
24 farm shall not be deemed to be decreased during the
25 period of any contract entered into under the conserva-

tion reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for

1 any year in which (1) the acreage of any basic agricultural
2 commodity other than wheat or corn on the farm exceeds the
3 farm acreage allotment for the commodity under title III of
4 the Agricultural Adjustment Act of 1938, as amended, or
5 (2) the wheat acreage on the farm exceeds the larger of the
6 farm wheat acreage allotment under such title or fifteen
7 acres, or (3) the corn acreage on the farm, in the case of a
8 farm in the commercial corn-producing area, exceeds the
9 farm base acreage for corn or the farm acreage allotment,
10 whichever is in effect, or (4) the acreage planted to feed
11 grains on the farm exceeds the farm base acreage for feed
12 grains, except that such requirement for compliance with the
13 farm base acreage for feed grains shall not apply for 1956.
14 For the purpose of this section, a producer shall not be
15 deemed to have exceeded his farm acreage allotment or farm
16 base acreage, unless such producer knowingly exceeded such
17 allotment or base acreage and, in the case of wheat, unless
18 such producer knowingly exceeded the farm acreage allot-
19 ment or fifteen acres, whichever is larger.

20 REAPPORTIONMENT PROHIBITED

21 SEC. 115. No acreage diverted from the production of
22 any commodity subject to acreage allotments as a result of
23 participation in the acreage reserve or conservation reserve
24 programs shall be reapportioned or allotted to any other
25 farm.

CERTIFICATE OF CLAIMANT

SEC. 116. Subject to the provisions of section 105 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

UTILIZATION OF LOCAL AND STATE COMMITTEES

SEC. 117. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

UTILIZATION OF OTHER AGENCIES

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish

1 agencies, the Fish and Wildlife Service, and other appro-
2 priate technical services shall be utilized, so far as practicable,
3 to assure coordination of conservation activities and a solid
4 technical foundation for the program.

5 UTILIZATION OF LAND USE CAPABILITY DATA

6 SEC. 119. In administering this title the Secretary shall
7 utilize to the fullest practicable extent land use capability
8 data, including capability surveys as developed by the Soil
9 Conservation Service, and shall carry forward to completion
10 as rapidly as possible the basic land inventory of the Nation.

11 FINANCING

12 SEC. 120. (a) The Secretary is authorized to utilize the
13 facilities, services, authorities, and funds of the Commodity
14 Credit Corporation in discharging his functions and responsi-
15 bilities under this title, including payment of costs of adminis-
16 tration for the programs authorized under this title: *Provided*,
17 That the Secretary shall, prior to February 1, 1957, or such
18 earlier date as may be practicable, submit to the Congress
19 for immediate reference to the Committees on Appro-
20 priations of the Senate and House of Representatives a full
21 program of all operations under this title which will require
22 the making of expenditures during the fiscal year ending
23 June 30, 1958; and, after June 30, 1957, the Commodity
24 Credit Corporation shall not make any expenditures for car-
25 rying out the purposes of this title unless the Corporation has

1 received funds to cover such expenditures from appropriations
2 made to carry out the purposes of this title. There are
3 hereby authorized to be appropriated such sums as may be
4 necessary to carry out the purposes of this title, including
5 such amounts as may be required to make payments to the
6 Corporation for its actual costs incurred or to be incurred
7 under this section.

8 (b) All funds available for carrying out the purposes
9 of this title shall be available for transfer to such agencies of
10 the Federal or State governments as the Secretary may re-
11 quest to cooperate or assist in carrying out this title; and for
12 technical assistance in formulating and carrying out the pro-
13 grams authorized by this title. The Secretary may make
14 such payments in advance of determination of performance.

15 FINALITY OF DETERMINATIONS

16 SEC. 121. The facts constituting the basis for any pay-
17 ment or compensation, or the amount thereof, authorized
18 to be made under this title, when officially determined in
19 conformity with applicable regulations prescribed by the
20 Secretary, shall be final and conclusive and shall not be
21 reviewable by any other officer or agency of the Government.
22 In case any producer who is entitled to any payment or
23 compensation dies, becomes incompetent, or disappears before
24 receiving such payment or compensation, or is succeeded by
25 another who renders or completes the required performance,

1 the payment or compensation shall, without regard to any
2 other provisions of law, be made as the Secretary may deter-
3 mine to be fair and reasonable in all the circumstances and
4 so provide by regulations.

5 PROTECTION OF TENANTS AND SHARECROPPERS

6 SEC. 122. In the formulation and administration of pro-
7 grams under this title, the Secretary shall provide adequate
8 safeguards to protect the interests of tenants and sharecrop-
9 pers, including provision for sharing, on a fair and equitable
10 basis, in payments or compensation under this title, and in-
11 cluding such provision as may be necessary to prevent them
12 from being forced off the farm. Applications to participate
13 in any such program shall specify the basis on which the
14 landlord, tenants, and sharecroppers are to share in such
15 payments or compensation, and no contract under any such
16 program shall be entered into unless such basis is approved
17 by the county committee and incorporated into the contract.
18 The standards prescribed by the Secretary for the guidance
19 of county committees in determining whether any such basis
20 shall be approved shall include the requirement that consid-
21 eration be given to the respective contributions which would
22 have been made by the landlord, tenants, and sharecroppers
23 in the production of the crops which would have been pro-
24 duced on the acreage diverted from production under the

1 contract and the basis on which they would have shared in
2 such crops or the proceeds thereof.

3 PENALTY FOR GRAZING OR HARVESTING

4 SEC. 123. Any producer who knowingly and willfully
5 grazes or harvests any crop from any acreage in violation
6 of a contract entered into under section 103 or 107 shall
7 be subject to a civil penalty equal to 50 per centum of
8 the compensation payable for compliance with such con-
9 tract for the year in which the violation occurs. Such
10 penalty shall be in addition to any amounts required to
11 be forfeited or refunded under the provisions of such con-
12 tract, and shall be recoverable in a civil suit brought in
13 the name of the United States.

14 REGULATIONS

15 SEC. 124. The Secretary shall prescribe such regula-
16 tions as he determines necessary to carry out the provisions
17 of this title.

18 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

19 SEC. 125. The President shall, with respect to farm-
20 lands now or hereafter owned by the Federal Government,
21 restrict insofar as practicable the leasing of such lands for
22 the production of price supported crops in surplus supply.

23 POOLING OF CONSERVATION RESERVE LAND

24 SEC. 126. Whenever management of family farms or
25 optimum land use will be aided, the Secretary of Agriculture

1 is authorized to permit farmers to pool their rights to par-
2 ticipate jointly in the conservation reserve program on prop-
3 erty other than their home farms.

4 TITLE II—SURPLUS DISPOSAL

5 PROGRAM OF ORDERLY LIQUIDATION

6 SEC. 201. (a) The Commodity Credit Corporation shall,
7 as rapidly as possible consistent with its existing authority,
8 the operation of the price support program, and orderly
9 liquidation, dispose of all stocks of agricultural commodities
10 held by it.

11 (b) The Secretary shall submit to Congress within
12 ninety days after the enactment of this Act detailed pro-
13 grams, with recommendations for any additional legislation
14 needed to carry out such programs, (1) for the disposition of
15 surplus commodities as required by subsection (a) above;
16 (2) for a food stamp plan or similar program for distribu-
17 tion through States (including the District of Columbia, the
18 Territories, Puerto Rico and the Virgin Islands) and local
19 units of Government of future surplus production to needy
20 persons in the United States, its Territories, and possessions,
21 so as to prevent the accumulation of commodities in the
22 hands of the Commodity Credit Corporation; and (3) for
23 strategic stockpiling of foodstuffs and other agricultural prod-
24 ucts (A) inside the United States and (B) outside the
25 United States as authorized in section 415 of the Mutual

1 Security Act of 1954. The Secretary shall report annually
2 on his operations under subsection (a) and such reports
3 shall show—

4 (1) the quantities of surplus commodities on hand;

5 (2) the methods of disposition utilized and the
6 quantities disposed of during the preceding twelve
7 months;

8 (3) the methods of disposition to be utilized and
9 the estimated quantities that can be disposed of during
10 the succeeding twelve months;

11 (4) a detailed program for the expansion of markets
12 for surplus agricultural commodities through marketing
13 and utilization research and improvement of marketing
14 facilities; and

15 (5) recommendations for additional legislation nec-
16 essary to accomplish the purposes of this section.

17 EXTRA-LONG STAPLE COTTON

18 SEC. 202. (a) Hereafter the quota for cotton having a
19 staple length of one and one-eighth inches or more, estab-
20 lished September 20, 1939, pursuant to section 22 of the
21 Agricultural Adjustment Act of 1933, as amended, shall
22 apply to the same grades and staple lengths included in the
23 quota when such quota was initially established. Such quota
24 shall provide for cotton having a staple length of one and
25 eleven-sixteenths inches and longer, and shall establish dates

1 for the quota year which will recognize and permit entry
2 to conform to normal marketing practices and requirements
3 for such cotton.

4 (b) Beginning not later than August 1, 1956, the Com-
5 modity Credit Corporation is directed to sell for export at
6 competitive world prices its stocks of domestically pro-
7 duced extra long staple cotton on hand on the date of
8 enactment of this Act. The amount offered and the price
9 accepted by the Commodity Credit Corporation shall be such
10 as to dispose of such quantity in an orderly manner and
11 within a reasonable period of time.

12 AGREEMENTS LIMITING IMPORTS

13 SEC. 203. The President may, whenever he determines
14 such action appropriate, negotiate with representatives of
15 foreign governments in an effort to obtain agreements limit-
16 ing the export from such countries and the importation into
17 the United States of any agricultural commodity or product
18 manufactured therefrom or textiles or textile products, and
19 the President is authorized to issue regulations governing
20 the entry or withdrawal from warehouse of any such com-
21 modity, product, textiles, or textile products to carry out
22 any such agreement. Nothing herein shall affect the author-
23 ity provided under section 22 of the Agricultural Adjustment
24 Act (of 1933) as amended.

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

SEC. 204. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such \$500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL STOCKPILE

SEC. 205. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of

1 agricultural commodities or products may be entered, or
2 withdrawn from warehouse, free of duty.

3 (c) In order to reimburse the Commodity Credit Cor-
4 poration for materials transferred to the supplemental stock-
5 pile there are hereby authorized to be appropriated amounts
6 equal to the value of any materials so transferred. The value
7 of any such material for the purpose of this subsection, shall
8 be the lower of the domestic market price or the Commodity
9 Credit Corporation's investment therein as of the date of
10 such transfer, as determined by the Secretary of Agriculture.

11 SURPLUS DISPOSAL ADMINISTRATOR

12 SEC. 206. The Secretary of Agriculture is authorized
13 to appoint an agricultural surplus disposal administrator,
14 at a salary rate of not exceeding \$15,000 per annum, whose
15 duties shall include such responsibility for activities of the
16 Department, including those of the Commodity Credit Cor-
17 poration, relating to the disposal of surplus agricultural
18 commodities as the Secretary may direct.

19 PAYMENT OF OCEAN FREIGHT

20 SEC. 207. The Agricultural Trade Development and
21 Assistance Act of 1954, as amended, is amended as follows:

22 (a) The first sentence of section 103 (a) is amended
23 by striking out the word "and" following the words "han-
24 dling costs," and by inserting immediately before the period

1 the following: "and, (3) all Commodity Credit Corporation
2 funds expended for ocean freight costs authorized under title
3 II hereof for purposes of section 416 of the Agricultural Act
4 of 1949, as amended".

5 (b) Section 201 is amended by striking out "f. o. b.
6 vessels in United States ports,".

7 (c) The first sentence of section 203 is amended to
8 read as follows: "Not more than \$500,000,000 (including
9 the Corporation's investment in such commodities) shall be
10 expended for all such transfers and for other costs authorized
11 by this title." Section 203 is further amended by adding
12 at the end of the section the following: "Such transfers may
13 include delivery f. o. b. vessels in United States ports and,
14 upon a determination by the President that it is necessary
15 to accomplish the purposes of this title or of section 416
16 of the Agricultural Act of 1949, as amended, ocean freight
17 charges from United States ports to designated ports of
18 entry abroad may be paid from funds available to carry
19 out this title on commodities transferred pursuant hereto
20 or donated under said section 416. Funds required for ocean
21 freight costs authorized under this title may be transferred
22 by the Commodity Credit Corporation to such other Federal
23 agency as may be designated by the President."

1 COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
2 INCREASED INDUSTRIAL USE OF AGRICULTURAL
3 PRODUCTS

4 SEC. 208. (a) (1) There is hereby established a bipar-
5 tisan Commission on Increased Industrial Use of Agricultural
6 Products (hereafter referred to as "the Commission"). The
7 Commission shall be composed of five members, of whom not
8 more than three shall be members of the same political
9 party, to be appointed by the President by and with the
10 advice and consent of the Senate. In making such appoint-
11 ments the President shall give due consideration to the
12 interests of various segments of agriculture. One of the
13 members so appointed shall be designated as Chairman by
14 the President.

15 (2) Members of the Commission shall be paid compen-
16 sation at the rate of \$50 per day and shall be reimbursed
17 for necessary traveling and other expenses incurred by them
18 in the performance of their duties as members of the Com-
19 mission.

20 (3) The Commission is authorized to appoint and fix
21 the compensation, without regard to the civil-service laws
22 and the Classification Act of 1949, as amended, of an execu-
23 tive director and such chemists, engineers, agriculturists,
24 attorneys, and other assistants as it may deem necessary.
25 The Secretary of Agriculture is authorized to provide the

1 Commission with necessary office space, and may detail,
2 on a reimbursable basis, any personnel of the Department of
3 Agriculture to assist the Commission in carrying out its work.

4 (4) Upon request of the Commission, any other de-
5 partment or agency of the Government having information
6 or data needed by the Commission in carrying out its duties
7 under this section, shall make such information or data
8 available to the Commission for such purposes. The Com-
9 mission shall take such steps as may be necessary to pro-
10 tect against unauthorized disclosure any such information or
11 data which may be classified for security purposes.

12 (5) Service of an individual as a member of the Com-
13 mission or employment of an individual by the Commission
14 in a technical or professional field, on a part-time or full-time
15 basis, shall not be considered as service or employment
16 bringing such individual within the provisions of section
17 281, 283, 284, 434 or 1914 of title 18 of the United States
18 Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

19 (b) It shall be the duty of the Commission to prepare
20 and present to the Congress, not later than June 15, 1957,
21 the necessary recommendations which in its opinion will
22 bring about the greatest practical use for industrial purposes
23 of agricultural products not needed for human or animal
24 consumption, including, but not limited to, use in the manu-

1 facture of rubber, industrial alcohol, motor fuels, plastics, and
2 other products.

3 (c) There is hereby authorized to be appropriated such
4 sum, not to exceed \$150,000, as may be necessary to enable
5 the Commission to carry out its functions.

6 (d) Upon submission of the recommendations referred
7 to in subsection (b), the Commission shall cease to exist.

8 (e) (1) Any bill or joint resolution embodying the
9 recommendations presented to the Congress under subsection
10 (b) shall, upon introduction in the Senate or House of
11 Representatives, be referred to the Committee on Agriculture
12 and Forestry of the Senate or the Committee on Agriculture
13 of the House of Representatives, as the case may
14 be. Such committee shall proceed as expeditiously as possible
15 to consider such bill or joint resolution.

16 (2) This subsection is enacted by the Congress (A)
17 as an exercise of the rulemaking power of the Senate and
18 the House of Representatives, respectively, and as such
19 shall be considered as part of the rules of each House,
20 respectively, and (B) with full recognition of the constitutional
21 right of either House to change such rules (so far
22 as they relate to the procedure in such House) at any time,
23 in the same manner and to the same extent as in the case
24 of any other rule of such House.

1 DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

2 SEC. 209. Notwithstanding any other limitations as to
3 the disposal of surplus commodities acquired through price
4 support operations, the Commodity Credit Corporation is
5 authorized on such terms and under such regulations as
6 the Secretary of Agriculture may deem in the public interest,
7 and upon application, to donate food commodities acquired
8 through price support operations to Federal penal and
9 correctional institutions, and to State correctional institu-
10 tions for minors, other than those in which food service
11 is provided for inmates on a fee, contract, or concession
12 basis.

13 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL
14 PROJECTS

15 SEC. 210. (a) For a period of three years from the
16 date of enactment of this Act, no agricultural commodity
17 determined by the Secretary of Agriculture in accordance
18 with subsection (c) to be in surplus supply shall receive
19 any crop loans or Federal farm payments or benefits if grown
20 on any newly irrigated or drained lands within any Federal
21 irrigation or drainage project hereafter authorized unless
22 such lands were used for the production of such commodity
23 prior to the enactment of this Act.

24 (b) The Secretary of the Interior and the Secretary of

1 Agriculture shall cause to be included, in all irrigation,
2 drainage, or flood-control contracts entered into with respect
3 to Federal irrigation, drainage, or flood-control projects
4 hereafter authorized, such provisions as they may deem
5 necessary to provide for the enforcement of the provisions
6 of this section. For a period of three years from the date
7 of enactment of this Act surplus crops grown on lands re-
8 claimed by flood-control projects hereafter authorized and
9 the lands so reclaimed shall be ineligible for any benefits
10 under the soil-bank provisions of this Act and under price
11 support legislation.

12 (c) On or before October 1 of each year, the Secretary
13 of Agriculture shall determine and proclaim the agricultural
14 commodities the supplies of which are in excess of estimated
15 requirements for domestic consumption and export plus
16 adequate reserves for emergencies. The commodities so
17 proclaimed shall be considered to be in surplus supply for
18 the purposes of this section during the succeeding crop year.

19 (d) For the purposes of this section the term "Federal
20 irrigation or drainage project" means any irrigation or drain-
21 age project subject to the Federal reclamation laws (Act of
22 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
23 or supplementary thereto) in effect at the date of the adoption
24 of this amendment and any irrigation or drainage project
25 subject to the laws relating to irrigation and drainage ad-

1 ministered by the Department of Agriculture or the Secre-
2 tary of Agriculture.

3 PROCESSING OF DONATED FOOD COMMODITIES

4 SEC. 211. Section 416 of the Agricultural Act of 1949,
5 as amended, is amended by inserting before the last sentence
6 thereof a new sentence as follows: "In addition, in the case
7 of food commodities disposed of under this section, the Com-
8 modity Credit Corporation may pay the cost of processing
9 such commodities into a form suitable for home or institu-
10 tional use, such processing to be accomplished through pri-
11 vate trade facilities to the greatest extent possible."

12 TITLE III—MARKETING QUOTAS AND ACREAGE

13 ALLOTMENTS

14 EXTENSION OF SURRENDER AND REAPPORTIONMENT PRO-

15 VISIONS FOR WHEAT ACREAGE ALLOTMENTS

16 SEC. 301. Section 334 (f) of the Agricultural Adjust-
17 ment Act of 1938, as amended, is amended by striking out
18 "1955" wherever it appears in such subsection and inserting
19 in lieu thereof "1955, 1956, or 1957".

20 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

21 SEC. 302. Section 342 of the Agricultural Adjustment
22 Act of 1938, as amended, is hereby amended by adding at
23 the end thereof the following: "Notwithstanding the fore-
24 going provisions of this section, the national marketing quota
25 for cotton for 1957 and 1958 shall be not less than the

1 number of bales required to provide a national acreage allot-
2 ment for 1957 and 1958 equal to the national acreage allot-
3 ment for 1956.”

4 COTTON—SMALL FARM ALLOTMENTS

5 SEC. 303. (a) Section 344 (b) of the Agricultural Ad-
6 justment Act of 1938, as amended, is amended by inserting
7 before the period at the end thereof a colon and the following:
8 “*Provided*, That there is hereby established a national acre-
9 age reserve consisting of one hundred thousand acres which
10 shall be in addition to the national acreage allotment; and
11 such reserve shall be apportioned to the States on the basis of
12 their needs for additional acreage for establishing minimum
13 farm allotments under subsection (f) (1), as determined by
14 the Secretary without regard to State and county acreage re-
15 serves (except that the amount apportioned to Nevada shall
16 be one thousand acres), and the additional acreage so appor-
17 tioned to the State shall be apportioned to the counties on the
18 same basis and added to the county acreage allotment for
19 apportionment to farms pursuant to subsection (f) of this
20 section (except that no part of such additional acreage shall
21 be used to increase the county reserve above 15 per centum
22 of the county allotment determined without regard to such ad-
23 ditional acreage). Additional acreage apportioned to a State
24 for any year under the foregoing proviso shall not be taken
25 into account in establishing future State acreage allotments.

1 Needs for additional acreage under the foregoing proviso and
2 under the last proviso in subsection (e) shall be determined
3 as though allotments were first computed without regard to
4 subsection (f) (1).”

5 (b) Section 344 (e) of the Agricultural Adjustment
6 Act of 1938, as amended, is amended by inserting before the
7 period at the end thereof a colon and the following: “*Pro-*
8 *vided further*, That if the additional acreage allocated to a
9 State under the proviso in subsection (b) is less than the
10 requirements as determined by the Secretary for establishing
11 minimum farm allotments for the State under subsection (f)
12 (1), the acreage reserved by the State committee under this
13 subsection shall not be less than the smaller of (1) the
14 remaining acreage so determined to be required for establish-
15 ing minimum farm allotments or (2) 3 per centum of the
16 State acreage allotment; and the acreage which the State
17 committee is required to reserve under this proviso shall be
18 allocated to counties on the basis of their needs for additional
19 acreage for establishing minimum farm allotments under sub-
20 section (f) (1), and added to the county acreage allotment
21 for apportionment to farms pursuant to subsection (f) of this
22 section (except that no part of such additional acreage shall
23 be used to increase the county reserve above 15 per centum
24 of the county allotment determined without regard to such
25 additional acreages).”

1 (c) Section 344 (f) of the Agricultural Adjustment Act
2 of 1938, as amended, is amended by changing paragraph (1)
3 to read as follows:

4 “(1) Insofar as such acreage is available, there shall be
5 allotted the smaller of the following: (A) four acres; or (B)
6 the highest number of acres planted to cotton in any year of
7 such three-year period.”

8 (d) The first sentence of section 344 (f) (6) of such
9 Act is amended to read as follows: “Notwithstanding the
10 provisions of paragraph (2) of this subsection, if the county
11 committee recommends such action and the Secretary de-
12 termines that such action will result in a more equitable dis-
13 tribution of the county allotment among farms in the county,
14 the remainder of the county acreage allotment (after making
15 allotments as provided in paragraph (1) of this subsection)
16 shall be allotted to farms other than farms to which an allot-
17 ment has been made under paragraph (1) (B) of this sub-
18 section so that the allotment to each farm under this para-
19 graph together with the amount of the allotment of such
20 farm under paragraph (1) (A) of this subsection shall be a
21 prescribed percentage (which percentage shall be the same
22 for all such farms in the county) of the average acreage
23 planted to cotton on the farm during the three years im-
24 mediately preceding the year for which such allotment is de-

1 terminated, adjusted as may be necessary for abnormal condi-
2 tions affecting plantings during such three-year period: *Pro-*
3 *vided*, That the county committee may in its discretion limit
4 any farm acreage allotment established under the provisions
5 of this paragraph for any year to an acreage not in excess
6 of 50 per centum of the cropland on the farm, as determined
7 pursuant to the provisions of paragraph (2) of this subsec-
8 tion: *Provided further*, That any part of the county acreage
9 allotment not apportioned under this paragraph by reason
10 of the initial application of such 50 per centum limitation
11 shall be added to the county acreage reserve under para-
12 graph (3) of this subsection and shall be available for the
13 purposes specified therein.”

14 (e) The amendments made by this section shall be
15 effective only with respect to 1957 and 1958 crops. For the
16 1956 crop, an acreage in each State equal to the acreage
17 allotted in such State which the Secretary determines will
18 not be planted, placed in the acreage reserve or conservation
19 reserve, or considered as planted under section 377 of the
20 Agricultural Adjustment Act of 1938, as amended, may be
21 apportioned by the Secretary among farms in such State
22 having allotments of less than the smaller of the following:
23 (1) four acres, or (2) the highest number of acres planted
24 to cotton in any of the years 1953, 1954, and 1955.

1 MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE
2 CROP

3 SEC. 304. Section 353 of the Agricultural Adjustment
4 Act of 1938, as amended, is amended by adding to subsection
5 (c) a new paragraph (5) to read as follows:

6 “(5) Each of the State acreage allotments for 1956
7 heretofore proclaimed by the Secretary, after adding thereto
8 any acreage apportioned to farms in the State from the
9 reserve acreage set aside pursuant to subsection (a) of this
10 section, shall be increased by such amount as may be neces-
11 sary to provide such State with an allotment of not less
12 than 85 per centum of its final allotment established for 1955.
13 Any additional acreage required to provide such minimum
14 allotment shall be additional to the national acreage allot-
15 ment. In any State having county acreage allotments for
16 1956, the increase in the State allotment shall be apportioned
17 among counties in the State on the same basis as the State
18 allotment was heretofore apportioned among the counties,
19 but without regard to adjustments for trends in acreage.”

20 INCREASE IN PEANUT MARKETING PENALTIES

21 SEC. 305. Effective beginning with the 1956 crop, sec-
22 tion 359 (a) of the Agricultural Adjustment Act of 1938,
23 as amended, is amended by amending the first sentence
24 thereof to read as follows: “The marketing of any peanuts
25 in excess of the marketing quota for the farm on which

1 such peanuts are produced, or the marketing of peanuts
2 from any farm for which no acreage allotment was deter-
3 mined, shall be subject to a penalty at a rate equal to 75
4 per centum of the support price for peanuts for the market-
5 ing year (August 1-July 31)."

6 COLLECTION OF PEANUT MARKETING PENALTIES

7 SEC. 306. Section 359 of the Agricultural Adjustment
8 Act of 1938, as amended, is amended by adding two new
9 subsections as follows:

10 "(d) The person liable for payment or collection of
11 the penalty provided by this section shall be liable also
12 for interest thereon at the rate of 6 per centum per annum
13 from the date the penalty becomes due until the date of
14 payment of such penalty.

15 "(e) Until the amount of the penalty provided by this
16 section is paid, a lien on the crop of peanuts with respect
17 to which such penalty is incurred, and on any subsequent
18 crop of peanuts subject to marketing quotas in which the
19 person liable for payment of the penalty has an interest
20 shall be in effect in favor of the United States."

21 PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

22 SEC. 307. The Agricultural Adjustment Act of 1938,
23 as amended, is amended by inserting after section 376 a new
24 section as follows:

1 “PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

2 “SEC. 377. In any case in which, during any year
3 within the period 1956 to 1959, inclusive, for which acre-
4 age planted to such commodity on any farm is less than
5 the acreage allotment for such farm, the entire acreage
6 allotment for such farm shall be considered for purposes of
7 future farm acreage allotments to have been planted to such
8 commodity in such year, but only if the owner or operator
9 of such farm notifies the county committee prior to the
10 sixtieth day preceding the beginning of the marketing year
11 for such commodity of his desire to preserve such allotment.
12 This section shall not be applicable in any case in which
13 the amount of the commodity required to be stored to post-
14 pone or avoid payment of penalty has been reduced because
15 the allotment was not fully planted. Nothing herein shall
16 be construed to permit the allotment to any other farm of
17 the acreage with respect to which notice is given under
18 this section.”

19 ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN
20 AND OTHER FEED GRAINS

21 SEC. 308. (a) Notwithstanding any other provision of
22 law, whenever base acreages are in effect for corn, the Sec-
23 retary shall require, as a condition of eligibility for price
24 support on corn, that the producer (1) devote an acreage
25 of cropland (tilled in normal rotation), at the option of the

1 producer, to either the acreage reserve program for corn
2 or the conservation reserve program, equal to 15 per centum
3 of such producer's farm base acreage for corn, and (2) not
4 exceed such farm base acreage for corn. Corn acreage allot-
5 ments shall not be effective for the 1956 crop.

6 (b) Not later than December 15, 1956, the Secretary
7 shall conduct a referendum of producers of corn in 1956 in
8 the commercial corn-producing area to determine whether
9 such producers favor a price-support program as provided
10 in subsection (c) of this section for the 1957 and subse-
11 quent crops in lieu of acreage allotments as provided in the
12 Agricultural Adjustment Act of 1938, as amended, and price
13 support as provided in section 101 of the Agricultural Act of
14 1949, as amended.

15 (c) Notwithstanding any other provision of law, if two-
16 thirds or more of the producers voting in the referendum con-
17 ducted pursuant to subsection (b) hereof favor a price-sup-
18 port program as provided in this subsection (c), no acreage
19 allotment of corn shall be established for the commercial corn-
20 producing area for any county, or for any farm, with respect
21 to the 1957 and subsequent crops, and price support made
22 available for such crops by Commodity Credit Corporation
23 shall be at such level as the Secretary determines will assist
24 producers in marketing corn in the normal channels of trade
25 but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 103 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 per centum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve

1 program for feed grains or the conservation reserve program
2 as a condition of eligibility for price support for such feed
3 grains shall be in addition to any acreage required to be
4 devoted to either the acreage reserve program for corn or
5 the conservation reserve program as a condition of eligibility
6 for price support for corn produced in the commercial corn-
7 producing area. Notwithstanding any other provision
8 hereof, the Commodity Credit Corporation shall make avail-
9 able price support for the 1956 crop of grain sorghums,
10 barley, rye, and oats at the levels announced prior to the
11 enactment of this subsection, and for the 1956 crop of corn
12 produced outside the commercial corn-producing area at 75
13 per centum of the level for corn produced in the commercial
14 corn-producing area, to any producer who meets the require-
15 ments of eligibility therefor but who does not meet the
16 additional requirements for price support prescribed by this
17 subsection.

18 TITLE IV—FORESTRY PROVISIONS

19 ASSISTANCE TO STATES FOR TREE PLANTING AND 20 REFORESTATION

21 SEC. 401. (a) The Congress hereby finds and declares
22 that building up and maintaining a level of timber growing
23 stocks adequate to meet the Nation's domestic needs for a
24 dependable future supply of industrial wood is essential to
25 the public welfare and security; that assisting in improving

1 and protecting the more than fifty million acres of idle non-
2 Federal and Federal lands for this purpose would not only
3 add to the economic strength of the Nation, but also bring
4 increased public benefits from other values associated with
5 forest cover; and that it is the policy of the Congress that
6 the Secretary of Agriculture in order to encourage, pro-
7 mote, and assure fully adequate future resources of readily
8 available timber should assist the States in undertaking
9 needed programs of tree planting.

10 (b) Any State forester or equivalent State official may
11 submit to the Secretary of Agriculture a plan for forest land
12 tree planting and reforestation for the purpose of effecting
13 the policy hereinbefore stated.

14 (c) When the Secretary of Agriculture has approved the
15 plan, he is hereby authorized and directed to assist the State
16 in carrying out such plan, which assistance may include giv-
17 ing of advice and technical assistance and furnishing financial
18 contributions: *Provided*, That, for the non-Federal forest land
19 tree planting and reforestation, the financial contribution ex-
20 pended by the Federal Government during any fiscal year
21 to assist the State to carry out the plan shall not exceed the
22 amount expended by the State for the same purposes during
23 the same fiscal year, and the Secretary of Agriculture is au-
24 thorized to make financial contributions on the certificate of

1 the State official in charge of the administration of the plan
2 as to the amount of expenditures made by the State.

3 (d) In any plan that coordinates forest lands under the
4 jurisdiction of any Federal agency other than the Depart-
5 ment of Agriculture, the Secretary of Agriculture shall ob-
6 tain the cooperation and assistance of the Federal agency
7 having jurisdiction and the appropriate State forester in the
8 approval and carrying out of the plan.

9 (e) The Secretary of Agriculture may prescribe such
10 rules and regulations as may be appropriate to carry out the
11 purposes of this section.

12 (f) There are hereby authorized to be appropriated such
13 sums as may be necessary to carry out the objects of this
14 section, such sums to remain available until expended.

84TH CONGRESS
2D Session

H. R. 10875

A BILL

To enact the Agricultural Act of 1956.

By Mr. COOLEY

APRIL 27, 1956

Referred to the Committee on Agriculture

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 1, 1956
For actions of April 30, 1956
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HIGHLIGHTS: House committee reported soil bank bill. House committee ordered reported two tobacco bills relating to quotas on harvested basis, and proclamation of quotas for flue-cured and other tobaccos. Rep. Dingell introduced and discussed food stamp bill.

HOUSE

1. FARM PROGRAM. The Agriculture Committee reported without amendment H. R. 10875, a new farm bill. The bill is identical with H. R. 12 (which was vetoed by the President) except that it omits provisions for price supports at 90% of parity, dual parity, special provisions for dairy supports, and the two-price plans for wheat and rice (H. Rept. 2077). pp.6542, 6550
2. TOBACCO. The Agriculture Committee ordered reported H. R. 9475, to provide for the proclamation of marketing quotas for tobacco as December 1 for flue-cured tobacco and February 1 for other kinds of tobacco; and H. R. 10108, to provide for the determination of penalties based on a harvested basis of tobacco, rather than a marketed basis. p. D414
3. RUBBER. Received from the President a message on the Nation's rubber requirements and resources (H. Doc. 391); to the Armed Services Committee. p. 6535

SENATE

4. RECLAMATION. Agreed to a motion by Sen. Anderson to reconsider the vote on S. 2206, providing for the construction and operation of the Ainsworth unit of the Missouri River Basin project, which was passed April 26. Further agreed to

discharge the Interior and Insular Affairs Committee from further consideration of H. R. 9132, a similar bill; passed H. R. 9132 after substituting for its text the language of S. 2206; and agreed to the indefinite postponement of S. 2206. p. 6496

Passed as reported S. 1622, to authorize payments for certain improvements located on public lands in the Rapid Valley unit, S. Dak., of the Missouri River Basin project. p. 6512

Passed without amendment H. R. 1603, to terminate the prohibition against the employment of Mongolian labor in the construction of reclamation projects. p. 6513. This bill is now ready for the President.

Passed without amendment H. R. 8535, to amend the act of July 4, 1955 (relating to the construction of irrigation distribution systems), ^{including} provisions to require, prior to the consummation of a loan, the transfer to the Government of titles to systems and rights-of-way held or acquired by the borrowers; to authorize only revocable permits across any Government lands; and to require that rights-of-way granted to borrowers be brought within the regular provisions of law regarding rights-of-way across Government lands. p. 6506 This bill is now ready for the President.

Sen. Langer inserted a local Farm Development Committee resolution urging the establishment of an irrigation development farm in N. Dak. p. 6488

Sen. Langer inserted a local Crop Improvement Assoc. resolution urging the establishment of an irrigation demonstration farm in N. Dak. p. 6489

5. FLOOD INSURANCE. At the request of Sen. Bible passed over S. 3732, to provide for insurance against flood damage. p. 6513

6. ELECTRIFICATION. At the request of Sen. Ervin passed over S. 1574, to provide for payments to owners of non-Federal water-use facilities for hydro-electric-power benefits realized by the U. S. therefrom. p. 6513

Sen. Langer inserted a local Farmers Union resolution protesting against "the plan of the Hoover Commission in wanting to abolish the REA and set up a corporation in its place." p. 6489

Sen. Dirksen inserted a statement he had prepared relating to the accomplishments of the Illinois rural electrification cooperatives. p. 6505

7. SOIL CONSERVATION. Sen. Carlson inserted a report of a local Soil Conservation Committee on accomplishments in carrying out soil and water conservation practices. p. 6499

8. FOREIGN TRADE. Sen. Martin spoke in favor of the use of private investments for foreign economic development, and inserted statements supporting this position. p. 6502

Sen. Martin spoke in opposition to U. S. participation in the work of the Commission on International Commodity Trade, and inserted statements supporting this position. p. 6503

9. FARM PROGRAM. Sen. Aiken inserted an address recently given by Sen. Eastland on the problems of American agriculture and problems confronting the farmer. p. 6496

10. RESEARCH. Sen. Capehart inserted an address by the vice president of the Farm Journal on the importance of and accomplishments of agricultural research. p. 6504

11. ROADS. Agreed to a unanimous-consent request of Sen. Bible that H. R. 10660, the road bill, be considered both by the Public Works Committee and later by the Finance Committee before it is placed on the calendar. p. 6486

12. PERSONNEL. Received from the Interior Department a proposed bill to authorize

Union Calendar No. 756

84TH CONGRESS
2D SESSION

H. R. 10875

[Report No. 2077]

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 1956

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To enact the Agricultural Act of 1956.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1956".

5 TITLE I—SOIL BANK ACT

6 SHORT TITLE

7 SEC. 101. This title may be cited as the "Soil Bank Act".

8 DECLARATION OF POLICY

9 SEC. 102. The Congress hereby finds that the produc-
10 tion of excessive supplies of agricultural commodities de-
11 presses the prices and income of farm families; constitutes

1 improper land use and brings about soil erosion, depletion of
2 soil fertility, and too rapid release of water from lands
3 where it falls, thereby adversely affecting the national wel-
4 fare, impairing the productive facilities necessary for a con-
5 tinuous and stable supply of agricultural commodities, and
6 endangering an adequate supply of water for agricultural and
7 nonagricultural use; overtaxes the facilities of interstate and
8 foreign transportation; congests terminal markets and han-
9 dling and processing centers in the flow of commodities from
10 producers to consumers; depresses prices in interstate and
11 foreign commerce; disrupts the orderly marketing of com-
12 modities in such commerce; and otherwise affects, burdens,
13 and obstructs interstate and foreign commerce. It is in the
14 interest of the general welfare that the soil and water re-
15 sources of the Nation be not wasted and depleted in the
16 production of such burdensome surpluses and that interstate
17 and foreign commerce in agricultural commodities be pro-
18 tected from excessive supplies. It is hereby declared to be
19 the policy of the Congress and the purposes of this title to
20 protect and increase farm income, to protect the national soil,
21 water, and forest and wildlife resources from waste and
22 depletion, to protect interstate and foreign commerce from
23 the burdens and obstructions which result from the utilization
24 of farmland for the production of excessive supplies of
25 agricultural commodities, and to provide for the conservation

1 of such resources and an adequate, balanced, and orderly
2 flow of such agricultural commodities in interstate and for-
3 eign commerce. To effectuate the policy of Congress and
4 the purposes of this title programs are herein authorized to
5 assist farmers to divert a portion of their cropland from the
6 production of excessive supplies of agricultural commodities,
7 and to carry out a program of soil, water, forest and wildlife
8 conservation. The activities authorized under this title are
9 supplementary to the acreage allotments and marketing
10 quotas authorized under the Agricultural Adjustment Act of
11 1938, as amended, and together with such acreage allotments
12 and marketing quotas, constitute an overall program to pre-
13 vent excessive supplies of agricultural commodities from bur-
14 dening and obstructing interstate and foreign commerce.

15 SUBTITLE A—ACREAGE RESERVE PROGRAM

16 TERMS AND CONDITIONS

17 SEC. 103. (a) Notwithstanding any other provision of
18 law, the Secretary of Agriculture (hereinafter referred to as
19 the "Secretary") is authorized and directed to formulate and
20 carry out an acreage reserve program for the 1956, 1957,
21 1958, and 1959 crops of wheat, cotton, corn produced in the
22 commercial corn-producing area, other feed grains (corn
23 produced outside the commercial corn-producing area, grain
24 sorghums, barley, rye, and oats), peanuts, rice, flue-cured
25 tobacco, burley tobacco, Maryland tobacco, dark air-cured

1 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
2 binder tobacco types 51, 52, 54, and 55, and Ohio cigar
3 filler tobacco types 42, 43, and 44, respectively (hereinafter
4 referred to as "the commodity"), under which producers
5 shall be compensated for reducing their acreages of the
6 commodity below their farm acreage allotments or their
7 farm base acreages, whichever may be applicable. To be
8 eligible for such compensation the producer (1) shall re-
9 duce his acreage of the commodity below his farm acreage
10 allotment or farm base acreage, whichever may be applli-
11 cable, within such limits as the Secretary may prescribe, (2)
12 shall specifically designate the acreage so withdrawn from
13 the production of such commodity (hereinafter referred to
14 as the "reserve acreage"), and (3) shall not harvest any
15 crop from, or graze, the reserve acreage unless the Secretary,
16 after certification by the Governor of the State in which such
17 acreage is situated of the need for grazing on such acreage,
18 determines that it is necessary to permit grazing thereon in
19 order to alleviate damage, hardship, or suffering caused by
20 severe drought, flood, or other natural disaster, and consents
21 to such grazing. Reserve acreage of a commodity may in-
22 clude acreage whether or not planted to the production of
23 the 1956 crop of the commodity prior to the announcement
24 of the acreage reserve program for the 1956 crop if the
25 crop thereon, if any, shall be plowed under or otherwise

1 physically incorporated into the soil, or clipped, mowed, or
2 cut to prevent maturing so that the reduction in acreage of
3 the commodity below the acreage allotment occurs within
4 21 days after the enactment of this title, or by such later
5 date as may be fixed by the Secretary. The reserve acreage
6 shall be in addition to any acreage devoted to the conserva-
7 tion reserve program authorized under subtitle B of this
8 title. The acreage reserve program may include such terms
9 and conditions, in addition to those specifically provided for
10 herein, including provisions relating to control of noxious
11 weeds on the reserve acreage, as the Secretary determines
12 are desirable to effectuate the purposes of this title and to
13 facilitate the practical administration of the acreage reserve
14 program.

15 Before any producer is entitled to receive any compen-
16 sation for participating in the acreage reserve program, he
17 must first enter into a contract with the Secretary, which
18 contract, in addition to such other terms and conditions as
19 may be prescribed by the Secretary, shall contain provisions
20 by which such producer shall agree:

21 (i) In the event that the Secretary determines that
22 there has been a violation of the contract at any stage dur-
23 ing the time such producer has control of the farm and that
24 such violation is of such a substantial nature as to warrant
25 termination of the contract, to forfeit all rights to payments

1 or grants under the contract, and to refund to the United
2 States all payments and grants received by him thereunder.

3 (ii) In the event that the Secretary determines that
4 there has been a violation of the contract but that such vio-
5 laion is of such a nature as not to warrant termination of
6 the contract, to accept such payment adjustments, forfeit
7 such benefits, and make such refunds to the United States
8 of payments and benefits received by him, under the con-
9 tract, as the Secretary may determine to be appropriate.

10 (b) (1) There is hereby established for each year for
11 which an acreage reserve program is in effect for corn a
12 total base acreage of corn for the commercial corn-producing
13 area proclaimed under section 327 of the Agricultural Ad-
14 justment Act of 1938, as amended, of fifty-one million acres.
15 The total base acreage of corn for the commercial corn-
16 producing area shall be apportioned by the Secretary among
17 the counties in such area on the basis of the acreage of corn
18 in such counties during the five calendar years immediately
19 preceding the calendar year in which the apportionment
20 is made (plus, in applicable years, the acreage diverted
21 under previous agricultural adjustment, conservation, and
22 soil bank programs), with adjustments for abnormal weather
23 conditions, for trends in acreage during such period and for
24 the promotion of soil-conservation practices: *Provided*, That
25 any downward adjustment for the promotion of soil-conser-

1 vation practices shall not exceed 2 per centum of the total
2 base acreage that would otherwise be apportioned to the
3 county. The base acreage for the county shall be appor-
4 tioned by the Secretary, through the local committees,
5 among the farms within the county on the basis of past
6 acreage of corn (planted and diverted), tillable acreage
7 crop-rotation practices, types of soil, and topography.

8 (2) This subsection (b) shall become inoperative after
9 1956 if in the referendum conducted pursuant to section 308
10 (b), producers do not vote in favor of the program provided
11 in subsection (c) of such section.

12 (c) For each year in which an acreage reserve program
13 will be in effect for corn, a farm base acreage shall be estab-
14 lished for feed grains. For 1956, in the commercial corn-
15 producing area, such farm base acreage for feed grains shall
16 be the average acreage on the farm planted to grain sor-
17 ghums, barley, rye, and oats, for the three years 1953, 1954,
18 and 1955; and outside the commercial corn-producing area,
19 such farm base acreage for feed grains shall be the average
20 acreage on the farm planted to grain sorghums, barley, rye,
21 oats, and corn, for the three years 1953, 1954, and 1955.
22 For 1957 and subsequent years in which an acreage reserve
23 program will be in effect for corn, there is hereby established
24 a total base acreage for feed grain (corn produced outside the
25 commercial corn-producing area, grain sorghums, barley, rye,

1 and oats). Such total base acreage for feed grains shall be
2 the average acreage planted to such feed grains for the three
3 years 1953, 1954, and 1955, adjusted to reflect any change
4 in the commercial corn-producing area. The total base acre-
5 age of feed grains shall be apportioned by the Secretary
6 among the States on the basis of the acreage of feed grains
7 (planted and diverted) in such States for the five calendar
8 years immediately preceding the calendar year in which the
9 apportionment is made, with adjustments for abnormal
10 weather conditions and for trends in acreage during such
11 period. The base acreage of feed grains for each State, less
12 a reserve of not to exceed 3 per centum thereof for apportion-
13 ment as provided by this subsection, shall be apportioned by
14 the Secretary among the counties on the basis of the acreage
15 of feed grains (planted and diverted) in such counties for the
16 five calendar years immediately preceding the calendar year
17 in which the apportionment is made, with adjustments for
18 abnormal weather conditions, for trends in acreage during
19 such period and for the promotion of soil-conservation prac-
20 tices: *Provided*, That any downward adjustment for the pro-
21 motion of soil-conservation practices shall not exceed 2 per
22 centum of the total base acreage that would otherwise be
23 apportioned to the county. The base acreage for the county
24 shall be apportioned by the Secretary, through the local
25 committees, among the farms within the county on the basis

1 of past acreage of feed grains (planted and diverted), tillable
2 acreage, crop-rotation practices, type of soil, and topography.
3 The reserve set aside herein shall be apportioned to farms on
4 which feed grains have not been planted for any of the crops
5 for the three years immediately preceding the year for which
6 the apportionment is made (such farms are hereinafter called
7 "new feed grain farms"). Producers shall not be eligible for
8 compensation under the acreage reserve program for feed
9 grains, on new feed grain farms. For purposes of this sub-
10 section, section 114, and section 308 (d) the terms "plant"
11 or "planted", as used with respect to feed grains, other than
12 corn, shall mean plant or planted for harvest as grain.

13 EXTENT OF PARTICIPATION IN PROGRAM

14 SEC. 104. For purposes of the acreage reserve program
15 the Secretary shall establish a national reserve acreage goal
16 for the 1956, 1957, 1958, and 1959 crops of each com-
17 modity specified in section 103 (a). The limits within
18 which individual farms may participate in the acreage reserve
19 program shall be established in such manner as the Secre-
20 tary determines is reasonably calculated to achieve the na-
21 tional reserve acreage goal and give producers a fair and
22 equitable opportunity to participate in the acreage reserve
23 program, taking into consideration their acreage allotments
24 or farm base acreages, whichever may be applicable, the

1 supply and demand conditions for different classes, grades,
2 and qualities of the commodity, and such other factors as
3 he deems appropriate.

4 COMPENSATION OF PRODUCERS

5 SEC. 105. (a) Producers shall be compensated for par-
6 ticipating in the acreage reserve program through the issu-
7 ance of negotiable certificates which the Commodity Credit
8 Corporation shall redeem in accordance with regulations pre-
9 scribed by the Secretary (1) in cash upon presentation by
10 the producer or by any holder in due course or (2) at the
11 option of the producer in the case of certificates issued with
12 respect to grains and upon presentation by him, in grains
13 (such grains to be valued by the Secretary at such levels as
14 he determines will not materially impair the market price for
15 such grain yet will, to the maximum extent practicable en-
16 courage acceptance of payment in grains in lieu of cash) :
17 *Provided*, That disposition of quantities of stocks hereunder
18 in any one year shall be limited to not more than two-thirds
19 of such quantities of such commodities as the Secretary de-
20 termines would be a reasonable estimate of what would have
21 been produced for marketing during such marketing year on
22 the acreage withheld from production under the provisions
23 of this title: *And provided further*, That such stocks shall
24 not be released prior to the end of the normal harvesting
25 season for the particular commodity being released. Com-

1 pensation under this section shall be at such rate or rates
2 as the Secretary determines will provide producers with a
3 fair and reasonable return for reducing their acreage of the
4 commodity, taking into consideration the loss of production
5 of the commodity on the reserve acreage, any savings in cost
6 which result from not planting the commodity on the
7 reserve acreage, and the incentive necessary to achieve the
8 reserve acreage goal. The Secretary shall make an adjust-
9 ment in yields for drought, flood, or other abnormal condi-
10 tions in estimating the loss of production for purposes of es-
11 tablishing rates of compensation. The rates of payment
12 offered under this section shall be such as to encourage pro-
13 ducers to underplant their allotments more than one year
14 Commodities delivered to producers in redemption of such
15 certificates shall not be eligible for tender to Commodity
16 Credit Corporation under the price support program.

17 (b) No compensation shall be paid to any producer
18 for participating in the acreage reserve program for any
19 year until the Secretary has ascertained that such producer
20 has complied with the acreage reduction requirements of
21 such program for such year.

22 (c) The total compensation paid producers for partici-
23 pating in the acreage reserve program with respect to any
24 year's crops shall not exceed \$750,000,000, and with respect
25 to any commodity for any year shall not exceed the amount

1 - shown below: Wheat, \$375,000,000; cotton, \$300,000,000;
2 - corn in the commercial corn-producing area, \$300,000,000;
3 - other feed grains, \$175,000,000; peanuts, \$7,000,000; rice,
4 \$23,000,000; and tobacco, \$45,000,000. The total amount
5 available for the acreage reserve program for any year's
6 crops shall be apportioned among the various commodities
7 on the basis of the amounts required to achieve the reserve
8 acreage goal for each commodity established under section
9 104.

10 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

11 SEC. 106. (a) In the future establishment of State,
12 county, and farm acreage, allotments under the Agricultural
13 Adjustment Act of 1938, as amended, or base acreages
14 under this title, reserve acreages applicable to any commodity
15 shall be credited to the State, county, and farm as though
16 such acreage had actually been devoted to the production of
17 the commodity.

18 (b) In applying the provisions of paragraph (6) of
19 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
20 (6)), and sections 326 (b) and 356 (g) of the Agricultural
21 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b),
22 1356 (g)), relating to reduction of the storage amounts of
23 wheat and rice, the reserve acreage of the commodity on any
24 farm shall be regarded as wheat acreage or rice acreage,
25 as the case may be, on the farm.

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other

1 natural products of such acreage which do not increase
2 supplies of feed for domestic animals.

3 (4) Not to graze any acreage established in protective
4 vegetative cover prior to January 1, 1959, or such later
5 date as may be provided in the contract, except pursuant
6 to the provisions of section 103 (a) (3) hereof; and if such
7 acreage is grazed at the end of such period, to graze such
8 acreage during the remainder of the period covered by the
9 contract in accordance with sound pasture management.

10 (5) Not to adopt any practice, or divert lands on the
11 farm from conservation, woods, grazing, or other use, to any
12 use specified by the Secretary in the contract as a practice or
13 use which would tend to defeat the purposes of the contract.

14 (6) (A) In the event that the Secretary determines
15 that there has been a violation of the contract at any stage
16 during the time such producer has control of the farm and
17 that such violation is of such a substantial nature as to war-
18 rant termination of the contract, to forfeit all rights to pay-
19 ments or grants under the contract, and to refund to the
20 United States all payments and grants received by him
21 thereunder.

22 (B) In the event that the Secretary determines that
23 there has been a violation of the contract but that such
24 violation is of such a nature as not to warrant termination
25 of the contract, to accept such payment adjustments, forfeit

1 such benefits, and make such refunds to the United States
2 of payments and benefits received by him, under the con-
3 tract, as the Secretary may determine to be appropriate.

4 (7) To such additional provisions as the Secretary
5 determines are desirable and includes in the contract to
6 effectuate the purposes of this title and to facilitate the
7 practical administration of the conservation reserve pro-
8 gram, including provisions relating to control of noxious
9 weeds.

10 (b) In return for such agreement by the producer the
11 Secretary shall agree:

12 (1) To bear such part of the cost (including labor) of
13 establishing and maintaining vegetative cover or water
14 storage facilities, or other soil-, water-, wildlife-, or forest-
15 conserving uses, on the designated acreage as the Secretary
16 determines to be necessary to effectuate the purposes of this
17 title, but not to exceed a maximum amount per acre or
18 facility prescribed by the Secretary for the county or area
19 in which the farm is situated; and

20 (2) To make an annual payment to the producer for
21 the term of the contract upon determination that he has
22 fulfilled the provisions of the contract entitling him to such
23 payment. The rate or rates of the annual payment to be
24 provided for in the contracts shall be established on such
25 basis as the Secretary determines will provide producers

1 with a fair and reasonable annual return on the land estab-
2 lished in protective vegetative cover or water storage facili-
3 ties, or other soil-, water-, wildlife-, or forest-conserving uses,
4 taking into consideration the value of the land for the pro-
5 duction of commodities customarily grown on such kind of
6 land in the county or area, the prevailing rates for cash
7 rentals for similar land in the county or area, the incentive
8 necessary to obtain contracts covering sufficient acreage for
9 the substantial accomplishment of the purposes of the con-
10 servation reserve program, and such other factors as he
11 deems appropriate. Such rate or rates may be determined
12 on an individual farm basis, a county or area basis, or such
13 other basis as the Secretary determines will facilitate the
14 practical administration of the program.

15 (c) In determining the lands in any area to be covered
16 by contracts entered into under this section, the Secretary
17 may use advertising and bid procedure if he determines that
18 such action will contribute to the effective and equitable
19 administration of the conservation reserve program.

20 (d) A contract shall not be terminated under paragraph
21 (6) of subsection (a) unless the nature of the violation
22 is such as to defeat or substantially impair the purposes of
23 the contract. Whenever the State committee believes that
24 there has been a violation which would warrant termina-
25 tion of a contract, the producer shall be given written notice

1 thereof by registered mail or personal service, and the pro-
2 ducer shall, if he requests such an opportunity within thirty
3 days after the delivery or service of such notice, be given
4 an opportunity to show cause, in an informal proceeding
5 before the county committee under regulations promulgated
6 by the Secretary, why the contract should not be termi-
7 nated. If the producer does not request an opportunity
8 to show cause why the contract should not be terminated
9 within such thirty-day period, the determination of the State
10 committee made in accordance with regulations of the Sec-
11 retary shall be final and conclusive. If the producer within
12 such thirty-day period requests an opportunity to show cause
13 why the contract should not be terminated, the county com-
14 mittee, at the conclusion of the proceeding, shall submit a
15 report, including its recommendations, to the State commit-
16 tee for a determination, on the basis of such report and
17 such other information as is available to the State com-
18 mittee, as to whether there has been a violation which would
19 warrant termination of the contract. The producer shall be
20 accorded the right, in accordance with regulations promul-
21 gated by the Secretary, to appear before the State committee
22 in connection with the State committee's determination of
23 the issue. The producer shall be given written notice by
24 registered mail or personal service of the State committee's

1 determination. If the producer feels aggrieved by such de-
2 termination, he may obtain judicial review of such deter-
3 mination by filing a complaint with the United States dis-
4 trict court for the district in which the land covered by
5 the contract is located, within ninety days after the delivery
6 or service of notice of such determination, requesting the
7 court to set aside such determination. Service of process
8 in such action shall be made in accordance with the rule for
9 service of process upon the United States prescribed by the
10 Rules of Civil Procedure for the United States District
11 Courts. The copy of the summons and complaint required
12 to be delivered to the officer or agency whose order is being
13 attacked shall be sent to the chairman of the State com-
14 mittee. The action in the United States district court shall
15 be a trial de novo to determine whether there has been a
16 violation which would warrant termination of the contract.
17 If the producer does not seek judicial review of the State
18 committee's determination within the ninety-day period
19 allowed therefor, the State committee's determination shall
20 be final and conclusive. The terms "county committee" and
21 "State committee" as used herein refer to the county and
22 State committees established under section 8 of the Soil
23 Conservation and Domestic Allotment Act, as amended.

1 CONSERVATION RESERVE GOAL

2 SEC. 108. (a) The Secretary shall not later than Feb-
3 ruary 1 of each year determine and announce the national
4 conservation reserve goal for such year. Such goal shall
5 be that percentage which the Secretary determines it is
6 practicable to cover by contracts during such year of the
7 number of acres, if any, by which (1) the acreage used
8 for the production of agricultural commodities during the
9 year preceding the year for which such determination is
10 made, plus any acreage then in the acreage or conservation
11 reserve program or retired from production as a result of
12 acreage allotments or marketing quotas, exceeds (2) the
13 acreage needed during the year for which such determina-
14 tion is made for the production of agricultural commodities
15 for domestic consumption and export and an adequate allow-
16 ance for carryover. As soon as practicable after the enact-
17 ment of this title the Secretary shall determine the national
18 conservation acreage goal for 1956.

19 (b) In distributing the national acreage goal among
20 the various States and major crop production regions, the
21 Secretary shall give due regard to the respective needs of
22 the various States and regions for flood control, drought
23 control, and other conservation benefits; the desires of pro-

1 ducers in particular States or regions to participate in the
2 conservation program; the diversion of acreage from crops
3 under acreage allotments or marketing quotas; and the need
4 to assure adequate production of agricultural commodities
5 and products not in surplus and to discourage the produc-
6 tion of agricultural commodities and products in surplus.

7 (c) The Secretary shall transmit to the Congress on
8 or before March 15 of each year a report of the scope of
9 the conservation reserve program for the preceding year
10 and the basis for participation in such program in the
11 various States and major crop production regions of the
12 country.

13 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

14 SEC. 109. (a) The Secretary is authorized to formulate
15 and announce programs under this subtitle B and to enter
16 into contracts thereunder with producers during the five-
17 year period 1956-1960 to be carried out during the period
18 ending not later than December 31, 1969, except that
19 contracts for the establishment of tree cover may continue
20 until December 31, 1974.

21 (b) The period covered by any contract shall not
22 exceed ten years, except that contracts for the establishment
23 of tree cover may extend for fifteen years.

24 (c) In carrying out the conservation reserve program,
25 the Secretary shall not enter into contracts with producers

1 which would require payments to producers, including the
2 cost of materials and services, in excess of \$450,000,000
3 in any calendar year.

4 TERMINATION AND MODIFICATION OF CONTRACTS

5 SEC. 110. (a) The Secretary may terminate any con-
6 tract with a producer by mutual agreement with the pro-
7 ducer if the Secretary determines that such termination
8 would be in the public interest.

9 (b) The Secretary may agree to such modification of
10 contracts previously entered into as he may determine to
11 be desirable to carry out the purposes of this title and to
12 facilitate the practical administration of the conservation
13 reserve program.

14 CONSERVATION MATERIALS AND SERVICES

15 SEC. 111. (a) The Secretary may purchase or produce
16 conservation materials and services and make such materials
17 and services available to producers under the conservation
18 reserve program to aid them in establishing vegetative cover
19 or water storage facilities, or other soil-, water-, wildlife-,
20 or forest-conserving uses, under contracts authorized by this
21 subtitle B, may reimburse and Federal, State, or local govern-
22 ment agency for conservation materials and services fur-
23 nished by such agency, and may pay expenses necessary in
24 making such materials, and services available, including all

1 or part of the costs incident to the delivery, application,
2 or installation of materials and services.

3 (b) Notwithstanding any other provision of law, in
4 making conservation materials and services available to pro-
5 ducers hereunder, the Secretary may make payments, in
6 advance of determination of performance by the producers,
7 to persons who fill purchase orders covering approved con-
8 servation materials or who render services to the Secretary
9 in furnishing to producers approved conservation materials
10 or services for the establishment by the producers of vegeta-
11 tive cover or water storage facilities, or other soil-, water-,
12 wildlife-, or forest-conserving uses, under contracts authorized
13 by this subtitle B. The price at which purchase orders for
14 any conservation material or service are filled may be limited,
15 if the Secretary determines that it is necessary in the interest
16 of producers and the Government, to a fair price fixed in
17 accordance with regulations prescribed by the Secretary.

18 EFFECT ON OTHER PROGRAMS

19 SEC. 112. Notwithstanding any other provision of law—

20 (1) insofar as the acreage of cropland on any farm
21 enters into the determination of acreage allotments and
22 marketing quotas under the Agricultural Adjustment
23 Act of 1938, as amended, the cropland acreage on the
24 farm shall not be deemed to be decreased during the
25 period of any contract entered into under the conserva-

tion reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for

1 any year in which (1) the acreage of any basic agricultural
2 commodity other than wheat or corn on the farm exceeds the
3 farm acreage allotment for the commodity under title III of
4 the Agricultural Adjustment Act of 1938, as amended, or
5 (2) the wheat acreage on the farm exceeds the larger of the
6 farm wheat acreage allotment under such title or fifteen
7 acres, or (3) the corn acreage on the farm, in the case of a
8 farm in the commercial corn-producing area, exceeds the
9 farm base acreage for corn or the farm acreage allotment,
10 whichever is in effect, or (4) the acreage planted to feed
11 grains on the farm exceeds the farm base acreage for feed
12 grains, except that such requirement for compliance with the
13 farm base acreage for feed grains shall not apply for 1956.
14 For the purpose of this section, a producer shall not be
15 deemed to have exceeded his farm acreage allotment or farm
16 base acreage, unless such producer knowingly exceeded such
17 allotment or base acreage and, in the case of wheat, unless
18 such producer knowingly exceeded the farm acreage allot-
19 ment or fifteen acres, whichever is larger.

20 REAPPORTIONMENT PROHIBITED

21 SEC. 115. No acreage diverted from the production of
22 any commodity subject to acreage allotments as a result of
23 participation in the acreage reserve or conservation reserve
24 programs shall be reapportioned or allotted to any other
25 farm.

1 CERTIFICATE OF CLAIMANT

2 SEC. 116. Subject to the provisions of section 105 (b),
3 payment or compensation authorized by this title may be
4 made upon the certificate of the claimant, in such form as
5 the Secretary may prescribe, that he has complied with
6 all requirements for such payment and that the statements
7 and information contained in the application for payment are
8 correct and true, to the best of his knowledge and belief.

9 UTILIZATION OF LOCAL AND STATE COMMITTEES

10 SEC. 117. In administering this title in the continental
11 United States, the Secretary shall utilize the services of
12 local, county, and State committees established under section
13 8 of the Soil Conservation and Domestic Allotment Act, as
14 amended.

15 UTILIZATION OF OTHER AGENCIES

16 SEC. 118. With respect to conservation aspects of any
17 program under this title, the Secretary shall consult with
18 the soil-conservation districts, State foresters, State game
19 and fish agencies, land-grant colleges, and other appropriate
20 agencies of State governments, and with the Fish and Wild-
21 life Service, in the formulation of program provisions at the
22 State and county levels. The technical resources of the
23 Soil Conservation Service, the Forest Service, the land-
24 grant colleges, the State foresters, State game and fish

1 agencies, the Fish and Wildlife Service, and other appro-
2 priate technical services shall be utilized, so far as practicable,
3 to assure coordination of conservation activities and a solid
4 technical foundation for the program.

5 UTILIZATION OF LAND USE CAPABILITY DATA

6 SEC. 119. In administering this title the Secretary shall
7 utilize to the fullest practicable extent land use capability
8 data, including capability surveys as developed by the Soil
9 Conservation Service, and shall carry forward to completion
10 as rapidly as possible the basic land inventory of the Nation.

11 FINANCING

12 SEC. 120. (a) The Secretary is authorized to utilize the
13 facilities, services, authorities, and funds of the Commodity
14 Credit Corporation in discharging his functions and responsi-
15 bilities under this title, including payment of costs of adminis-
16 tration for the programs authorized under this title: *Provided*,
17 That the Secretary shall, prior to February 1, 1957, or such
18 earlier date as may be practicable, submit to the Congress
19 for immediate reference to the Committees on Appro-
20 priations of the Senate and House of Representatives a full
21 program of all operations under this title which will require
22 the making of expenditures during the fiscal year ending
23 June 30, 1958; and, after June 30, 1957, the Commodity
24 Credit Corporation shall not make any expenditures for car-
25 rying out the purposes of this title unless the Corporation has

1 received funds to cover such expenditures from appropriations
2 made to carry out the purposes of this title. There are
3 hereby authorized to be appropriated such sums as may be
4 necessary to carry out the purposes of this title, including
5 such amounts as may be required to make payments to the
6 Corporation for its actual costs incurred or to be incurred
7 under this section.

8 (b) All funds available for carrying out the purposes
9 of this title shall be available for transfer to such agencies of
10 the Federal or State governments as the Secretary may re-
11 quest to cooperate or assist in carrying out this title; and for
12 technical assistance in formulating and carrying out the pro-
13 grams authorized by this title. The Secretary may make
14 such payments in advance of determination of performance.

15 FINALITY OF DETERMINATIONS

16 SEC. 121. The facts constituting the basis for any pay-
17 ment or compensation, or the amount thereof, authorized
18 to be made under this title, when officially determined in
19 conformity with applicable regulations prescribed by the
20 Secretary, shall be final and conclusive and shall not be
21 reviewable by any other officer or agency of the Government.
22 In case any producer who is entitled to any payment or
23 compensation dies, becomes incompetent, or disappears before
24 receiving such payment or compensation, or is succeeded by
25 another who renders or completes the required performance,

1 the payment or compensation shall, without regard to any
2 other provisions of law, be made as the Secretary may deter-
3 mine to be fair and reasonable in all the circumstances and
4 so provide by regulations.

5 PROTECTION OF TENANTS AND SHARECROPPERS

6 SEC. 122. In the formulation and administration of pro-
7 grams under this title, the Secretary shall provide adequate
8 safeguards to protect the interests of tenants and sharecrop-
9 pers, including provision for sharing, on a fair and equitable
10 basis, in payments or compensation under this title, and in-
11 cluding such provision as may be necessary to prevent them
12 from being forced off the farm. Applications to participate
13 in any such program shall specify the basis on which the
14 landlord, tenants, and sharecroppers are to share in such
15 payments or compensation, and no contract under any such
16 program shall be entered into unless such basis is approved
17 by the county committee and incorporated into the contract.
18 The standards prescribed by the Secretary for the guidance
19 of county committees in determining whether any such basis
20 shall be approved shall include the requirement that consid-
21 eration be given to the respective contributions which would
22 have been made by the landlord, tenants, and sharecroppers
23 in the production of the crops which would have been pro-
24 duced on the acreage diverted from production under the

1 contract and the basis on which they would have shared in
2 such crops or the proceeds thereof.

3 PENALTY FOR GRAZING OR HARVESTING

4 SEC. 123. Any producer who knowingly and willfully
5 grazes or harvests any crop from any acreage in violation
6 of a contract entered into under section 103 or 107 shall
7 be subject to a civil penalty equal to 50 per centum of
8 the compensation payable for compliance with such con-
9 tract for the year in which the violation occurs. Such
10 penalty shall be in addition to any amounts required to
11 be forfeited or refunded under the provisions of such con-
12 tract, and shall be recoverable in a civil suit brought in
13 the name of the United States.

14 REGULATIONS

15 SEC. 124. The Secretary shall prescribe such regula-
16 tions as he determines necessary to carry out the provisions
17 of this title.

18 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

19 SEC. 125. The President shall, with respect to farm-
20 lands now or hereafter owned by the Federal Government,
21 restrict insofar as practicable the leasing of such lands for
22 the production of price supported crops in surplus supply.

23 POOLING OF CONSERVATION RESERVE LAND

24 SEC. 126. Whenever management of family farms or
25 optimum land use will be aided, the Secretary of Agriculture

1 is authorized to permit farmers to pool their rights to par-
2 ticipate jointly in the conservation reserve program on prop-
3 erty other than their home farms.

4 TITLE II—SURPLUS DISPOSAL

5 PROGRAM OF ORDERLY LIQUIDATION

6 SEC. 201. (a) The Commodity Credit Corporation shall,
7 as rapidly as possible consistent with its existing authority,
8 the operation of the price support program, and orderly
9 liquidation, dispose of all stocks of agricultural commodities
10 held by it.

11 (b) The Secretary shall submit to Congress within
12 ninety days after the enactment of this Act detailed pro-
13 grams, with recommendations for any additional legislation
14 needed to carry out such programs, (1) for the disposition of
15 surplus commodities as required by subsection (a) above;
16 (2) for a food stamp plan or similar program for distribu-
17 tion through States (including the District of Columbia, the
18 Territories, Puerto Rico and the Virgin Islands) and local
19 units of Government of future surplus production to needy
20 persons in the United States, its Territories, and possessions,
21 so as to prevent the accumulation of commodities in the
22 hands of the Commodity Credit Corporation; and (3) for
23 strategic stockpiling of foodstuffs and other agricultural prod-
24 ucts (A) inside the United States and (B) outside the
25 United States as authorized in section 415 of the Mutual

1 Security Act of 1954. The Secretary shall report annually
2 on his operations under subsection (a) and such reports
3 shall show—

4 (1) the quantities of surplus commodities on hand;

5 (2) the methods of disposition utilized and the
6 quantities disposed of during the preceding twelve
7 months;

8 (3) the methods of disposition to be utilized and
9 the estimated quantities that can be disposed of during
10 the succeeding twelve months;

11 (4) a detailed program for the expansion of markets
12 for surplus agricultural commodities through marketing
13 and utilization research and improvement of marketing
14 facilities; and

15 (5) recommendations for additional legislation nec-
16 essary to accomplish the purposes of this section.

17 EXTRA-LONG STAPLE COTTON

18 SEC. 202. (a) Hereafter the quota for cotton having a
19 staple length of one and one-eighth inches or more, estab-
20 lished September 20, 1939, pursuant to section 22 of the
21 Agricultural Adjustment Act of 1933, as amended, shall
22 apply to the same grades and staple lengths included in the
23 quota when such quota was initially established. Such quota
24 shall provide for cotton having a staple length of one and
25 eleven-sixteenths inches and longer, and shall establish dates

1 for the quota year which will recognize and permit entry
2 to conform to normal marketing practices and requirements
3 for such cotton.

4 (b) Beginning not later than August 1, 1956, the Com-
5 modity Credit Corporation is directed to sell for export at
6 competitive world prices its stocks of domestically pro-
7 duced extra long staple cotton on hand on the date of
8 enactment of this Act. The amount offered and the price
9 accepted by the Commodity Credit Corporation shall be such
10 as to dispose of such quantity in an orderly manner and
11 within a reasonable period of time.

12 **AGREEMENTS LIMITING IMPORTS**

13 SEC. 203. The President may, whenever he determines
14 such action appropriate, negotiate with representatives of
15 foreign governments in an effort to obtain agreements limit-
16 ing the export from such countries and the importation into
17 the United States of any agricultural commodity or product
18 manufactured therefrom or textiles or textile products, and
19 the President is authorized to issue regulations governing
20 the entry or withdrawal from warehouse of any such com-
21 modity, product, textiles, or textile products to carry out
22 any such agreement. Nothing herein shall affect the author-
23 ity provided under section 22 of the Agricultural Adjustment
24 Act (of 1933) as amended.

1 APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

2 SEC. 204. There is hereby authorized to be appropriated
3 for each fiscal year, beginning with the fiscal year ending
4 June 30, 1957, the sum of \$500,000,000 to enable the Secre-
5 tary of Agriculture to further carry out the provisions of
6 section 32, Public Law 320, Seventy-fourth Congress, as
7 amended (7 U. S. C. 612c), subject to all provisions of law
8 relating to the expenditure of funds appropriated by such
9 section, except that up to 50 per centum of such \$500,000,-
10 000 may be devoted during any fiscal year to any one agri-
11 tural commodity or the products thereof.

12 TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL
13 STOCKPILE

14 SEC. 205. (a) Strategic and other materials acquired by
15 the Commodity Credit Corporation as a result of barter or
16 exchange of agricultural commodities or products, unless
17 acquired for the national stockpile established pursuant to
18 the Strategic and Critical Materials Stock Piling Act (50
19 U. S. C. 98-98h), or for other purposes shall be transferred
20 to the supplemental stockpile established by section 104 (b)
21 of the Agricultural Trade Development and Assistance Act
22 of 1954 (7 U. S. C. 1704).

23 (b) Strategic materials acquired by the Commodity
24 Credit Corporation as a result of barter or exchange of

1 agricultural commodities or products may be entered, or
2 withdrawn from warehouse, free of duty.

3 (c) In order to reimburse the Commodity Credit Cor-
4 poration for materials transferred to the supplemental stock-
5 pile there are hereby authorized to be appropriated amounts
6 equal to the value of any materials so transferred. The value
7 of any such material for the purpose of this subsection, shall
8 be the lower of the domestic market price or the Commodity
9 Credit Corporation's investment therein as of the date of
10 such transfer, as determined by the Secretary of Agriculture.

11 SURPLUS DISPOSAL ADMINISTRATOR

12 SEC. 206. The Secretary of Agriculture is authorized
13 to appoint an agricultural surplus disposal administrator,
14 at a salary rate of not exceeding \$15,000 per annum, whose
15 duties shall include such responsibility for activities of the
16 Department, including those of the Commodity Credit Cor-
17 poration, relating to the disposal of surplus agricultural
18 commodities as the Secretary may direct.

19 PAYMENT OF OCEAN FREIGHT

20 SEC. 207. The Agricultural Trade Development and
21 Assistance Act of 1954, as amended, is amended as follows:

22 (a) The first sentence of section 103 (a) is amended
23 by striking out the word "and" following the words "han-
24 dling costs," and by inserting immediately before the period

1 the following: "and, (3) all Commodity Credit Corporation
2 funds expended for ocean freight costs authorized under title
3 II hereof for purposes of section 416 of the Agricultural Act
4 of 1949, as amended".

5 (b) Section 201 is amended by striking out "f. o. b.
6 vessels in United States ports,".

7 (c) The first sentence of section 203 is amended to
8 read as follows: "Not more than \$500,000,000 (including
9 the Corporation's investment in such commodities) shall be
10 expended for all such transfers and for other costs authorized
11 by this title." Section 203 is further amended by adding
12 at the end of the section the following: "Such transfers may
13 include delivery f. o. b. vessels in United States ports and,
14 upon a determination by the President that it is necessary
15 to accomplish the purposes of this title or of section 416
16 of the Agricultural Act of 1949, as amended, ocean freight
17 charges from United States ports to designated ports of
18 entry abroad may be paid from funds available to carry
19 out this title on commodities transferred pursuant hereto
20 or donated under said section 416. Funds required for ocean
21 freight costs authorized under this title may be transferred
22 by the Commodity Credit Corporation to such other Federal
23 agency as may be designated by the President."

1 COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
2 INCREASED INDUSTRIAL USE OF AGRICULTURAL
3 PRODUCTS

4 SEC. 208. (a) (1) There is hereby established a bipar-
5 tisan Commission on Increased Industrial Use of Agricultural
6 Products (hereafter referred to as "the Commission"). The
7 Commission shall be composed of five members, of whom not
8 more than three shall be members of the same political
9 party, to be appointed by the President by and with the
10 advice and consent of the Senate. In making such appoint-
11 ments the President shall give due consideration to the
12 interests of various segments of agriculture. One of the
13 members so appointed shall be designated as Chairman by
14 the President.

15 (2) Members of the Commission shall be paid compen-
16 sation at the rate of \$50 per day and shall be reimbursed
17 for necessary traveling and other expenses incurred by them
18 in the performance of their duties as members of the Com-
19 mission.

20 (3) The Commission is authorized to appoint and fix
21 the compensation, without regard to the civil-service laws
22 and the Classification Act of 1949, as amended, of an execu-
23 tive director and such chemists, engineers, agriculturists,
24 attorneys, and other assistants as it may deem necessary.
25 The Secretary of Agriculture is authorized to provide the

1 Commission with necessary office space, and may detail,
2 on a reimbursable basis, any personnel of the Department of
3 Agriculture to assist the Commission in carrying out its work.

4 (4) Upon request of the Commission, any other de-
5 partment or agency of the Government having information
6 or data needed by the Commission in carrying out its duties
7 under this section, shall make such information or data
8 available to the Commission for such purposes. The Com-
9 mission shall take such steps as may be necessary to pro-
10 tect against unauthorized disclosure any such information or
11 data which may be classified for security purposes.

12 (5) Service of an individual as a member of the Com-
13 mission or employment of an individual by the Commission
14 in a technical or professional field, on a part-time or full-time
15 basis, shall not be considered as service or employment
16 bringing such individual within the provisions of section
17 281, 283, 284, 434 or 1914 of title 18 of the United States
18 Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

19 (b) It shall be the duty of the Commission to prepare
20 and present to the Congress, not later than June 15, 1957,
21 the necessary recommendations which in its opinion will
22 bring about the greatest practical use for industrial purposes
23 of agricultural products not needed for human or animal
24 consumption, including, but not limited to, use in the manu-

1 facture of rubber, industrial alcohol, motor fuels, plastics, and
2 other products.

3 (c) There is hereby authorized to be appropriated such
4 sum, not to exceed \$150,000, as may be necessary to enable
5 the Commission to carry out its functions.

6 (d) Upon submission of the recommendations referred
7 to in subsection (b), the Commission shall cease to exist.

8 (e) (1) Any bill or joint resolution embodying the
9 recommendations presented to the Congress under subsection
10 (b) shall, upon introduction in the Senate or House of
11 Representatives, be referred to the Committee on Agricul-
12 ture and Forestry of the Senate or the Committee on Agri-
13 culture of the House of Representatives, as the case may
14 be. Such committee shall proceed as expeditiously as pos-
15 sible to consider such bill or joint resolution.

16 (2) This subsection is enacted by the Congress (A)
17 as an exercise of the rulemaking power of the Senate and
18 the House of Representatives, respectively, and as such
19 shall be considered as part of the rules of each House,
20 respectively, and (B) with full recognition of the consti-
21 tutional right of either House to change such rules (so far
22 as they relate to the procedure in such House) at any time,
23 in the same manner and to the same extent as in the case
24 of any other rule of such House.

1 DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

2 SEC. 209. Notwithstanding any other limitations as to
3 the disposal of surplus commodities acquired through price
4 support operations, the Commodity Credit Corporation is
5 authorized on such terms and under such regulations as
6 the Secretary of Agriculture may deem in the public interest,
7 and upon application, to donate food commodities acquired
8 through price support operations to Federal penal and
9 correctional institutions, and to State correctional institu-
10 tions for minors, other than those in which food service
11 is provided for inmates on a fee, contract, or concession
12 basis.

13 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL
14 PROJECTS

15 SEC. 210. (a) For a period of three years from the
16 date of enactment of this Act, no agricultural commodity
17 determined by the Secretary of Agriculture in accordance
18 with subsection (c) to be in surplus supply shall receive
19 any crop loans or Federal farm payments or benefits if grown
20 on any newly irrigated or drained lands within any Federal
21 irrigation or drainage project hereafter authorized unless
22 such lands were used for the production of such commodity
23 prior to the enactment of this Act.

24 (b) The Secretary of the Interior and the Secretary of

1 Agriculture shall cause to be included, in all irrigation,
2 drainage, or flood-control contracts entered into with respect
3 to Federal irrigation, drainage, or flood-control projects
4 hereafter authorized, such provisions as they may deem
5 necessary to provide for the enforcement of the provisions
6 of this section. For a period of three years from the date
7 of enactment of this Act surplus crops grown on lands re-
8 claimed by flood-control projects hereafter authorized and
9 the lands so reclaimed shall be ineligible for any benefits
10 under the soil-bank provisions of this Act and under price
11 support legislation.

12 (c) On or before October 1 of each year, the Secretary
13 of Agriculture shall determine and proclaim the agricultural
14 commodities the supplies of which are in excess of estimated
15 requirements for domestic consumption and export plus
16 adequate reserves for emergencies. The commodities so
17 proclaimed shall be considered to be in surplus supply for
18 the purposes of this section during the succeeding crop year.

19 (d) For the purposes of this section the term "Federal
20 irrigation or drainage project" means any irrigation or drain-
21 age project subject to the Federal reclamation laws (Act of
22 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
23 or supplementary thereto) in effect at the date of the adoption
24 of this amendment and any irrigation or drainage project
25 subject to the laws relating to irrigation and drainage ad-

1 ministered by the Department of Agriculture or the Secre-
2 tary of Agriculture.

3 PROCESSING OF DONATED FOOD COMMODITIES

4 SEC. 211. Section 416 of the Agricultural Act of 1949,
5 as amended, is amended by inserting before the last sentence
6 thereof a new sentence as follows: "In addition, in the case
7 of food commodities disposed of under this section, the Com-
8 modity Credit Corporation may pay the cost of processing
9 such commodities into a form suitable for home or institu-
10 tional use, such processing to be accomplished through pri-
11 vate trade facilities to the greatest extent possible."

12 TITLE III—MARKETING QUOTAS AND ACREAGE
13 ALLOTMENTS

14 EXTENSION OF SURRENDER AND REAPPORTIONMENT PRO-
15 VISIONS FOR WHEAT ACREAGE ALLOTMENTS

16 SEC. 301. Section 334 (f) of the Agricultural Adjust-
17 ment Act of 1938, as amended, is amended by striking out
18 "1955" wherever it appears in such subsection and inserting
19 in lieu thereof "1955, 1956, or 1957".

20 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

21 SEC. 302. Section 342 of the Agricultural Adjustment
22 Act of 1938, as amended, is hereby amended by adding at
23 the end thereof the following: "Notwithstanding the fore-
24 going provisions of this section, the national marketing quota
25 for cotton for 1957 and 1958 shall be not less than the

1 number of bales required to provide a national acreage allot-
2 ment for 1957 and 1958 equal to the national acreage allot-
3 ment for 1956.”

4 COTTON—SMALL FARM ALLOTMENTS

5 SEC. 303. (a) Section 344 (b) of the Agricultural Ad-
6 justment Act of 1938, as amended, is amended by inserting
7 before the period at the end thereof a colon and the following:
8 “*Provided*, That there is hereby established a national acre-
9 age reserve consisting of one hundred thousand acres which
10 shall be in addition to the national acreage allotment; and
11 such reserve shall be apportioned to the States on the basis of
12 their needs for additional acreage for establishing minimum
13 farm allotments under subsection (f) (1), as determined by
14 the Secretary without regard to State and county acreage re-
15 serves (except that the amount apportioned to Nevada shall
16 be one thousand acres), and the additional acreage so appor-
17 tioned to the State shall be apportioned to the counties on the
18 same basis and added to the county acreage allotment for
19 apportionment to farms pursuant to subsection (f) of this
20 section (except that no part of such additional acreage shall
21 be used to increase the county reserve above 15 per centum
22 of the county allotment determined without regard to such ad-
23 ditional acreage). Additional acreage apportioned to a State
24 for any year under the foregoing proviso shall not be taken
25 into account in establishing future State acreage allotments.

1 Needs for additional acreage under the foregoing proviso and
2 under the last proviso in subsection (e) shall be determined
3 as though allotments were first computed without regard to
4 subsection (f) (1).”

5 (b) Section 344 (e) of the Agricultural Adjustment
6 Act of 1938, as amended, is amended by inserting before the
7 period at the end thereof a colon and the following: “*Pro-*
8 *vided further*, That if the additional acreage allocated to a
9 State under the proviso in subsection (b) is less than the
10 requirements as determined by the Secretary for establishing
11 minimum farm allotments for the State under subsection (f)
12 (1), the acreage reserved by the State committee under this
13 subsection shall not be less than the smaller of (1) the
14 remaining acreage so determined to be required for establish-
15 ing minimum farm allotments or (2) 3 per centum of the
16 State acreage allotment; and the acreage which the State
17 committee is required to reserve under this proviso shall be
18 allocated to counties on the basis of their needs for additional
19 acreage for establishing minimum farm allotments under sub-
20 section (f) (1), and added to the county acreage allotment
21 for apportionment to farms pursuant to subsection (f) of this
22 section (except that no part of such additional acreage shall
23 be used to increase the county reserve above 15 per centum
24 of the county allotment determined without regard to such
25 additional acreages).”

1 (c) Section 344 (f) of the Agricultural Adjustment Act
2 of 1938, as amended, is amended by changing paragraph (1)
3 to read as follows:

4 “(1) Insofar as such acreage is available, there shall be
5 allotted the smaller of the following: (A) four acres; or (B)
6 the highest number of acres planted to cotton in any year of
7 such three-year period.”

8 (d) The first sentence of section 344 (f) (6) of such
9 Act is amended to read as follows: “Notwithstanding the
10 provisions of paragraph (2) of this subsection, if the county
11 committee recommends such action and the Secretary de-
12 termines that such action will result in a more equitable dis-
13 tribution of the county allotment among farms in the county,
14 the remainder of the county acreage allotment (after making
15 allotments as provided in paragraph (1) of this subsection)
16 shall be allotted to farms other than farms to which an allot-
17 ment has been made under paragraph (1) (B) of this sub-
18 section so that the allotment to each farm under this para-
19 graph together with the amount of the allotment of such
20 farm under paragraph (1) (A) of this subsection shall be a
21 prescribed percentages (which percentage shall be the same
22 for all such farms in the county) of the average acreage
23 planted to cotton on the farm during the three years im-
24 mediately preceding the year for which such allotment is de-

1 terminated, adjusted as may be necessary for abnormal condi-
2 tions affecting plantings during such three-year period: *Pro-*
3 *vided*, That the county committee may in its discretion limit
4 any farm acreage allotment established under the provisions
5 of this paragraph for any year to an acreage not in excess
6 of 50 per centum of the cropland on the farm, as determined
7 pursuant to the provisions of paragraph (2) of this subsec-
8 tion: *Provided further*, That any part of the county acreage
9 allotment not apportioned under this paragraph by reason
10 of the initial application of such 50 per centum limitation
11 shall be added to the county acreage reserve under para-
12 graph (3) of this subsection and shall be available for the
13 purposes specified therein.”

14 (e) The amendments made by this section shall be
15 effective only with respect to 1957 and 1958 crops. For the
16 1956 crop, an acreage in each State equal to the acreage
17 allotted in such State which the Secretary determines will
18 not be planted, placed in the acreage reserve or conservation
19 reserve, or considered as planted under section 377 of the
20 Agricultural Adjustment Act of 1938, as amended, may be
21 apportioned by the Secretary among farms in such State
22 having allotments of less than the smaller of the following:
23 (1) four acres, or (2) the highest number of acres planted
24 to cotton in any of the years 1953, 1954, and 1955.

1 MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE
2 CROP

3 SEC. 304. Section 353 of the Agricultural Adjustment
4 Act of 1938, as amended, is amended by adding to subsection
5 (c) a new paragraph (5) to read as follows:

6 “(5) Each of the State acreage allotments for 1956
7 heretofore proclaimed by the Secretary, after adding thereto
8 any acreage apportioned to farms in the State from the
9 reserve acreage set aside pursuant to subsection (a) of this
10 section, shall be increased by such amount as may be neces-
11 sary to provide such State with an allotment of not less
12 than 85 per centum of its final allotment established for 1955.
13 Any additional acreage required to provide such minimum
14 allotment shall be additional to the national acreage allot-
15 ment. In any State having county acreage allotments for
16 1956, the increase in the State allotment shall be apportioned
17 among counties in the State on the same basis as the State
18 allotment was heretofore apportioned among the counties,
19 but without regard to adjustments for trends in acreage.”

20 INCREASE IN PEANUT MARKETING PENALTIES

21 SEC. 305. Effective beginning with the 1956 crop, sec-
22 tion 359 (a) of the Agricultural Adjustment Act of 1938,
23 as amended, is amended by amending the first sentence
24 thereof to read as follows: “The marketing of any peanuts
25 in excess of the marketing quota for the farm on which

1 such peanuts are produced, or the marketing of peanuts
2 from any farm for which no acreage allotment was deter-
3 mined, shall be subject to a penalty at a rate equal to 75
4 per centum of the support price for peanuts for the market-
5 ing year (August 1-July 31)."

6 COLLECTION OF PEANUT MARKETING PENALTIES

7 SEC. 306. Section 359 of the Agricultural Adjustment
8 Act of 1938, as amended, is amended by adding two new
9 subsections as follows:

10 "(d) The person liable for payment or collection of
11 the penalty provided by this section shall be liable also
12 for interest thereon at the rate of 6 per centum per annum
13 from the date the penalty becomes due until the date of
14 payment of such penalty.

15 "(e) Until the amount of the penalty provided by this
16 section is paid, a lien on the crop of peanuts with respect
17 to which such penalty is incurred, and on any subsequent
18 crop of peanuts subject to marketing quotas in which the
19 person liable for payment of the penalty has an interest
20 shall be in effect in favor of the United States."

21 PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

22 SEC. 307. The Agricultural Adjustment Act of 1938,
23 as amended, is amended by inserting after section 376 a new
24 section as follows:

1 “PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

2 “SEC. 377. In any case in which, during any year
3 within the period 1956 to 1959, inclusive, for which acre-
4 age planted to such commodity on any farm is less than
5 the acreage allotment for such farm, the entire acreage
6 allotment for such farm shall be considered for purposes of
7 future farm acreage allotments to have been planted to such
8 commodity in such year, but only if the owner or operator
9 of such farm notifies the county committee prior to the
10 sixtieth day preceding the beginning of the marketing year
11 for such commodity of his desire to preserve such allotment.
12 This section shall not be applicable in any case in which
13 the amount of the commodity required to be stored to post-
14 pone or avoid payment of penalty has been reduced because
15 the allotment was not fully planted. Nothing herein shall
16 be construed to permit the allotment to any other farm of
17 the acreage with respect to which notice is given under
18 this section.”

19 ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN
20 AND OTHER FEED GRAINS

21 SEC. 308. (a) Notwithstanding any other provision of
22 law, whenever base acreages are in effect for corn, the Sec-
23 retary shall require, as a condition of eligibility for price
24 support on corn, that the producer (1) devote an acreage
25 of cropland (tilled in normal rotation), at the option of the

1 producer, to either the acreage reserve program for corn
2 or the conservation reserve program, equal to 15 per centum
3 of such producer's farm base acreage for corn, and (2) not
4 exceed such farm base acreage for corn. Corn acreage allot-
5 ments shall not be effective for the 1956 crop.

6 (b) Not later than December 15, 1956, the Secretary
7 shall conduct a referendum of producers of corn in 1956 in
8 the commercial corn-producing area to determine whether
9 such producers favor a price-support program as provided
10 in subsection (c) of this section for the 1957 and subse-
11 quent crops in lieu of acreage allotments as provided in the
12 Agricultural Adjustment Act of 1938, as amended, and price
13 support as provided in section 101 of the Agricultural Act of
14 1949, as amended.

15 (c) Notwithstanding any other provision of law, if two-
16 thirds or more of the producers voting in the referendum con-
17 ducted pursuant to subsection (b) hereof favor a price-sup-
18 port program as provided in this subsection (c), no acreage
19 allotment of corn shall be established for the commercial corn-
20 producing area for any county, or for any farm. with respect
21 to the 1957 and subsequent crops, and price support made
22 available for such crops by Commodity Credit Corporation
23 shall be at such level as the Secretary determines will assist
24 producers in marketing corn in the normal channels of trade
25 but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 103 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 per centum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve

1 program for feed grains or the conservation reserve program
2 as a condition of eligibility for price support for such feed
3 grains shall be in addition to any acreage required to be
4 devoted to either the acreage reserve program for corn or
5 the conservation reserve program as a condition of eligibility
6 for price support for corn produced in the commercial corn-
7 producing area. Notwithstanding any other provision
8 hereof, the Commodity Credit Corporation shall make avail-
9 able price support for the 1956 crop of grain sorghums,
10 barley, rye, and oats at the levels announced prior to the
11 enactment of this subsection, and for the 1956 crop of corn
12 produced outside the commercial corn-producing area at 75
13 per centum of the level for corn produced in the commercial
14 corn-producing area, to any producer who meets the require-
15 ments of eligibility therefor but who does not meet the
16 additional requirements for price support prescribed by this
17 subsection.

18 TITLE IV—FORESTRY PROVISIONS

19 ASSISTANCE TO STATES FOR TREE PLANTING AND

20 REFORESTATION

21 SEC. 401. (a) The Congress hereby finds and declares
22 that building up and maintaining a level of timber growing
23 stocks adequate to meet the Nation's domestic needs for a
24 dependable future supply of industrial wood is essential to
25 the public welfare and security; that assisting in improving

1 and protecting the more than fifty million acres of idle non-
2 Federal and Federal lands for this purpose would not only
3 add to the economic strength of the Nation, but also bring
4 increased public benefits from other values associated with
5 forest cover; and that it is the policy of the Congress that
6 the Secretary of Agriculture in order to encourage, pro-
7 mote, and assure fully adequate future resources of readily
8 available timber should assist the States in undertaking
9 needed programs of tree planting.

10 (b) Any State forester or equivalent State official may
11 submit to the Secretary of Agriculture a plan for forest land
12 tree planting and reforestation for the purpose of effecting
13 the policy hereinbefore stated.

14 (c) When the Secretary of Agriculture has approved the
15 plan, he is hereby authorized and directed to assist the State
16 in carrying out such plan, which assistance may include giv-
17 ing of advice and technical assistance and furnishing financial
18 contributions: *Provided*, That, for the non-Federal forest land
19 tree planting and reforestation, the financial contribution ex-
20 pended by the Federal Government during any fiscal year
21 to assist the State to carry out the plan shall not exceed the
22 amount expended by the State for the same purposes during
23 the same fiscal year, and the Secretary of Agriculture is au-
24 thorized to make financial contributions on the certificate of

1 the State official in charge of the administration of the plan
2 as to the amount of expenditures made by the State.

3 (d) In any plan that coordinates forest lands under the
4 jurisdiction of any Federal agency other than the Depart-
5 ment of Agriculture, the Secretary of Agriculture shall ob-
6 tain the cooperation and assistance of the Federal agency
7 having jurisdiction and the appropriate State forester in the
8 approval and carrying out of the plan.

9 (e) The Secretary of Agriculture may prescribe such
10 rules and regulations as may be appropriate to carry out the
11 purposes of this section.

12 (f) There are hereby authorized to be appropriated such
13 sums as may be necessary to carry out the objects of this
14 section, such sums to remain available until expended.

84TH CONGRESS
2D SESSION

H. R. 10875

[Report No. 2077]

A BILL

To enact the Agricultural Act of 1956.

By Mr. COOLEY

APRIL 30, 1956

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

1956 FARM BILL

APRIL 30, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H. R. 10875]

The Committee on Agriculture, to whom was referred the bill (H. R. 10875) to enact the Agricultural Act of 1956, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

On January 5, 1955, H. R. 12 was introduced in the House. On March 10, 1955, the Committee on Agriculture, after hearings and careful consideration, reported the measure to the House. On May 5, 1955, H. R. 12 was passed by the House. On March 19, 1956, H. R. 12 was passed by the Senate. On April 11, 1956, H. R. 12, as agreed upon by the conference committee, was passed by substantial majorities by both House and Senate, and presented to the President.

The bill embodied very important items to improve farm income and thus to arrest and reverse the growing recession in agriculture. Among these were provisions for 90 percent of parity price supports, alternate parity computations, and the domestic parity programs for wheat and rice.

Objections to all these provisions were cited by the President as the reasons which prompted him to veto the bill.

A majority of the members of this committee and, we believe, a majority of both Houses of the Congress still feel that these provisions would have checked and changed the tragic downward trend of the farmers' income and would have improved both farm income and farm purchasing power.

But in the present situation, appreciating the right of the President to exercise the constitutional powers of his high office, the committee

realizes it would be futile to present again legislation embracing the very provisions which met with the objection of the President.

Therefore, the bill herewith unanimously reported, omits these provisions.

The committee emphasizes, however, that this bill (H. R. 10875) and each provision thereof was a part of H. R. 12 when that bill was presented to the President. Every provision of this measure now reported by this committee already has been approved by both Houses of the Congress, and no one of the provisions contained in this bill was assigned by the President as a reason for the veto.

MAJOR PROVISIONS

The major provisions of H. R. 10875 include:

1. A \$1.2 billion a year soil bank, in two parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains. Payments would be made to farmers to reduce their acreage of these crops below their acreage allotments or below their 3-year average in the case of feed grains. The Department of Agriculture's present estimates of the payments which would be made per acre for this reduction are: Tobacco, \$100-\$300; cotton, \$48-\$60; peanuts, \$50-\$70; wheat, \$18-\$25; corn, \$36-\$50; rice, \$60-\$75; and feed grains, \$15-\$50. A maximum of \$750 million a year could be expended on the acreage reserve for the next 4 crop years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which payments approximately equivalent to the rental value of the land would be made, with an annual limit of \$450 million.

Compulsory features, proposed in other soil bank legislation, were not included in this bill; limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable distribution of funds; and provision is made for the protection of tenants and sharecroppers.

The bill increases the corn acreage allotment for 1956 by 9 million acres, to a total of 51 million acres. Corn producers will be required to put 15 percent of their cropland into the soil bank in order to be eligible for price supports on corn.

For the first time, the bill presents a program designed to bring stability to the rapidly deteriorating feed grain situation. It would cut down the acreage of feed grain and give producers support prices of approximately 81 percent of parity if they comply with the acreage reduction.

(2) Various provisions to improve the disposal of surplus commodities, including:

(a) To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the State and the Federal Government to donate food commodities to certain penal institutions.

(b) To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and the amount which can be used under title II of Public Law 480 is increased from \$300 million to \$500 million.

(c) An attack upon the surplus problem affecting long staple cotton by placing extra long staple cotton within the quota now set up for all cotton longer than $1\frac{1}{8}$ inches.

(d) Solution of our surplus problem, particularly in textiles, would be substantially assisted by new authority given the President in this bill to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

(e) An appropriation of an additional \$500 million annually is authorized for section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

(f) The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

(g) Provision is made for the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

In order to further encourage the underplanting of acreage allotments, the bill authorized a producer, for the first time, to plant only a part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This could eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

To make present production adjustment laws more effective, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there are other directives in the bill designed also to deal with the surplus situation.

The Secretary of Agriculture is directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He is directed to report to Congress within 90 days on this important matter. He is directed to make a similar study and report on the matter of establishing strategic stock-piles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He is directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long-staple cotton specifically.

DISCUSSION

The committee points out in connection with H. R. 10875 that over \$1 billion will be lost to farmers in 1956 by the Presidential veto of the price support and other income improvement provisions of H. R. 12.

While this committee is presenting the soil bank in this legislation, it must be remembered that this program will pay to farmers only about one-half of the gross income they would earn if they cultivate the acres that are put into the soil bank; and that every dollar invested in the soil bank program will decrease the farmers' purchasing power by \$1.

It was this fact that led the committee to seek effective means to raise farm income at the time the soil bank was further reducing production, in an attack on the surpluses now depressing farm prices.

Thus this committee has retained every feature of H. R. 12 that tends to stabilize the agricultural economy and which was not specifically stipulated by the President as a reason for his veto of H. R. 12.

This committee, in presenting this bill to the House, is not capitulating. We are only being realistic in the situation that confronts us.

In conclusion, this committee emphasizes that it historically has striven for a parity of income for farmers. This fight for the farmer will go on, as it must of necessity go on. The interest of all our citizens requires that this fight continue. The farmers always have been the first to suffer in a depression. They now are hard pressed. It is the responsibility of all Americans to see that these hard times in agriculture do not again, as in the late 1920's, drag the whole Nation into a depression.

This committee emphasizes that a paramount need today is unity of purpose in agriculture and better understanding between farmers and the people in the towns and cities. Their interests are intermixed and inseparable. It is important to the well-being of rural and urban people alike, as it is a matter of simple justice, that farm families should share fairly in the fruits of free enterprise.

ANALYSIS OF BILL

The provisions of the bill are identical with those contained in the conference report on H. R. 12 (Rept. No. 1986), with the omission of titles I and V of the conference bill.

TITLE I—SOIL BANK ACT (SECS. 101-127)

The provisions of title I are identical with those of title II of H. R. 12 as agreed upon by the committee of conference and adopted by the House on April 11. Those provisions were based upon and only slightly modified from the recommendations made by the Secretary of Agriculture.

The soil bank program authorized in title I consists of two parts: An acreage reserve program (secs. 103 to 106) under which acreage allotted or intended to be planted to certain specified crops will be permitted to remain idle with the producer being compensated therefor; and a conservation reserve program (secs. 107 to 113) under which land now being used in the annual production of crops will be retired from production and devoted to conservation uses for periods up to 15 years.

Sections 103-106. Acreage-reserve program

The acreage-reserve program is not a soil-conservation measure but a short-term program designed to curtail production of specific commodities even below the anticipated production from allotment programs. It is authorized only for the 4 crop years 1956-59. It applies only to specified commodities: wheat, cotton, corn, peanuts, rice, most kinds of tobacco, and the feed grains (oats, rye, barley, grain sorghums, and corn grown in noncommercial corn areas).

The objective of the acreage-reserve program is to induce farmers to reduce their acreages below their allotments or base acreages and to make no other use of the land so retired. The farmer who thus curtails his production will be paid an amount roughly equivalent to

his anticipated return from the land had he put it to its intended purpose.

A special provision (p. 4, line 21, to p. 5, line 5) will make it possible for the farmer to participate in the 1956 program even though he may already have planted his 1956 crops or may have been prevented from planting his normal crops because of adverse weather conditions. This latter provision was inserted in order to care for the condition which now exists in a vast area, particularly in the Southwest, where drought has prevented normal planting operations, and it is intended that the farmer who has not been able to plant and has not, therefore, planted will, nonetheless, be allowed to participate in the acreage reserve for 1956.

In general, the rate of payment will be approximately 50 percent of the price support for that quantity of the commodity which would normally be produced on the land placed into the acreage reserve. The specific rate of payment will, of course, vary from commodity to commodity and in different areas, but will be required to be in such amounts as will make the program attractive to farmers. Payment will be made in negotiable certificates redeemable in cash by the Commodity Credit Corporation or, in the case of grains, redeemable in grain at the option of the producer.

The bill provides that in case of unusual weather conditions resulting from either drought, flood, hail, wind, or other natural causes, the Secretary should make adjustments in calculating the normal yield for each farm. The committee understands that the practice would be to eliminate the record of years of abnormally low production in calculating the normal yield for the farm for soil bank payment purposes, as well as in the calculation of acreage history of the farm for the determination of acreage allotment or farm base acreage.

The total amount which may be expended on the acreage-reserve program in any one year is \$750 million. To assure a fair division of funds between the various commodities, the bill establishes maximums for the separate crops: Wheat, \$375 million; corn, \$300 million; cotton, \$300 million; tobacco, \$45 million; rice, \$23 million; peanuts, \$7 million; and feed grains, \$175 million. The individual commodity limitations add up to more than the overall limit of \$750 million in order to permit adjustment of commodity programs to meet operating conditions but do not have the effect of increasing the overall limitation of \$750 million.

The amount of acreage a producer will be permitted to put into the conservation reserve will vary by commodities but generally the program as tentatively formulated by the Department of Agriculture will permit farmers with small acreage allotments to put their entire allotment into the acreage reserve while those with larger allotments will be limited to a maximum percentage of their allotment. For example, a producer with a grain allotment would be permitted to put into the reserve 50 acres or 50 percent of his allotment, whichever is larger. Thus, any farmer with a grain allotment of less than 50 acres could place his entire allotment in the acreage reserve if he chose to do so. In addition, there is nothing in the legislation herewith reported which would prevent a small farmer from putting his maximum allowable acreage in the acreage reserve and then placing the

balance of his land in the conservation reserve, providing regulations of the Secretary permit such action.

Preliminary and still tentative estimates of the payments per acre for the various crops or acreage put into the acreage reserve are as follows: Cotton, \$48-\$60; wheat, \$18-\$25; corn, \$36-\$50; rice, \$60-75; peanuts, \$50-\$70; tobacco, \$100-\$300; and feed grains, \$15-\$50. It should be emphasized that these figures are not only tentative, they are national average figures based upon the national average yield per acre of the various crops. The rate of payment an individual farmer can expect will be based not only upon these national average figures but upon the normal yield per acre of the land he is placing into the conservation reserve and other local factors.

The two basic principles with respect to payment are: (1) That the rate of payment should generally reflect the actual net income the farmer might expect to receive from the acreage had he planted it to the allotted crop and (2) that rates of payment are to be attractive enough to encourage farmers to place substantial acreages into the acreage reserve and thereby curtail production below national allotments and marketing quotas.

Sections 107-114. Conservation reserve program

The conservation reserve program (secs. 107-114) is designed to take out of the production of crops and put into a conservation status on a semipermanent basis specified acreages of land. Croplands, including lands now being devoted to such soil-conserving crops as tame hay, alfalfa, and clover, are eligible for the conservation reserve. The producer would be required to devote to soil-conserving crops or idleness only an acreage of his remaining land equal to that previously devoted to soil-conserving crops or left idle on such remaining land. Thus a producer who normally had 100 acres of tame hay and 10 acres each of oats and barley could put 40 acres of tame hay land into the conservation reserve without being required to reduce his acreage of oats or barley. He would be required to maintain in soil-conserving crops or leave idle that acreage of his land outside the conservation reserve which had previously been devoted to soil-conserving crops or left idle (namely 60 acres), but he would not be required to increase such acreage by reason of having put 40 acres of tame hay into the conservation reserve.

The program would be carried out on the basis of contracts entered into between the Secretary of Agriculture and the producer. Contract periods would be for not less than 3 years nor more than 10 (except for forestation areas where the period could run for 15 years). In return for the producer agreeing, among other things, not to harvest any crop nor graze the land in the conservation reserve, the Secretary would pay a large part (estimated at approximately 80 percent) of the cost of establishing conservation practices on the land and would pay thereafter an annual amount to the producer roughly equivalent to the rental value of the land.

The total amount of expenditures for the conservation program in any 1 year is limited to \$450 million, including the materials and services provided to assist farmers in establishing conservation practices on the land put into the reserve.

Sections 114-126. General provisions

Section 114.—Provides that no producer shall be eligible for compensation under the soil bank program in any year in which he fails to comply with his acreage allotment or his base acreage (in the case of corn or feed grains), except that the requirement as to feed grains does not apply for 1956.

Section 115.—Prohibits the reallocation to any other farm of acreage diverted from production and placed into the acreage reserve or conservation reserve.

Section 116.—Authorizes the Secretary to make payments to claimants upon their certification that they have complied with all requirements for payment.

Section 117.—Requires the Secretary to utilize the services of the State, county, and local ASC committees in carrying out the soil bank program.

Section 118.—Requires that, with respect to the conservation aspects of the program, the Secretary shall consult with appropriate State and Federal conservation agencies and authorities and that he shall utilize the services of such agencies in carrying out the technical aspects of the program.

Section 119.—Requires use to the fullest practicable extent of the land use capability data developed by the Soil Conservation Service.

Section 120.—Authorizes use of funds of the Commodity Credit Corporation in carrying out the soil bank program but provides that after June 30, 1947, such funds may not be expended in connection with the soil bank program unless appropriations have been specifically made for that purpose. This provision does not limit the authority elsewhere conferred for the Secretary to make contracts under the soil bank program for periods of more than 1 year.

Section 121.—Provides that determination of facts constituting the basis for payment under the program when officially determined by the Secretary shall be final and not reviewable by any other officer or agency of the Government. This does not prevent the usual review of such operations by the General Accounting Office.

Section 122.—Requires that in carrying out the soil bank program, the Secretary shall provide "adequate safeguards to protect the interests of tenants and sharecroppers." Rather than trying to establish a formula under which tenants and sharecroppers are to participate in the benefits of the soil bank program, the section places the basic responsibility for assuring tenants and sharecroppers equitable treatment on the shoulders of those most competent to make decisions of this nature—the county ASC committees. The section requires that applications to participate in the soil bank program must specify the basis on which tenants and sharecroppers are to share in the payments. This proposed arrangement must be approved by the county committee and written into the contract.

Section 123.—Provides that any producer who knowingly and willfully grazes or harvests any crop from acreage placed into the soil bank shall be liable to a civil penalty equal to 50 percent of the compensation payable under his contract for the year in which the violation occurs, in addition to any amounts which he may be required to forfeit under the provisions of the contract.

Section 124.—Authorizes the Secretary to prescribe such regulations as he determines to be necessary to carry out the provisions of this title.

Section 125.—Requires the President to restrict, insofar as practicable, the leasing of federally owned lands for the production of price-supported crops in surplus supply.

Section 125.—Will permit farmers to pool their rights to participate jointly in the conservation reserve program.

TITLE II—SURPLUS DISPOSAL

Section 201. Program of orderly liquidation

Requires the Commodity Credit Corporation to use its existing authority to dispose as rapidly as possible of all stocks of agricultural commodities held by it. Requires the Secretary to submit a detailed program with recommendations for augmenting such disposal and also reports and recommendations on adoption of a food-stamp plan or similar program, and for strategic stockpiling of foodstuffs and other agricultural products both inside and outside the United States. These reports are to be made within 90 days after enactment of the act and to include specific legislative recommendations for their accomplishment.

Section 202. Extra long staple cotton

Subsection (a) provides that the existing import quota on extra long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall, hereafter, cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{1}{16}$ inches and longer to bring such cotton back within the quota. It also requires that dates for the quota year conform to normal marketing practices. Cotton stapling $1\frac{1}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. The amendment will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra long staple cotton.

Section 203. Agreements limiting imports

Authorizes the President, whenever he determines such action appropriate, to negotiate with foreign countries in an effort to obtain agreements to limit the export from any such country and the importation into the United States of any agricultural commodity (including, as does sec. 22 of the Agricultural Adjustment Act of 1933, as amended, products of agricultural commodities such as flour, dairy products, textile products, and other products manufactured or processed from agricultural commodities). In order to carry out any such agreement which may be entered into, the President is authorized to issue such regulations governing the importation of such articles as may be required or appropriate to carry out the arrangements made with such countries to prevent increases in imports of such commodities or products.

This section is desirable in view of section 202, which directs the disposal of stocks of agricultural commodities held by the Commodity Credit Corporation, and of the general policies of the Department of Agriculture under which surplus agricultural commodities are made available in world markets at competitive prices which are generally below domestic price levels.

Unless there is some limitation on imports of products manufactured abroad from our surpluses, the sales program may well defeat its own purpose of expanding the total market for our agricultural products. It is the belief of the committee that this objective frequently can be accomplished through friendly negotiations, rather than taking recourse in the first instance under section 22 of the Agricultural Adjustment Act of 1933, as amended. However, if it develops that the desired objective cannot be accomplished through negotiations, then it is the belief of the committee that appropriate action should be taken under section 22 of the Agricultural Adjustment Act of 1933, as amended. This section makes it clear that the authority conferred does not in any way limit or restrict the use of section 22.

Section 204. Appropriation to supplement section 32 funds

Authorizes the appropriation annually, beginning July 1, 1956, of not to exceed \$500 million to supplement operations under section 32, Public Law 320, 74th Congress, of which not to exceed 50 percent could be used for any one commodity or the products thereof.

Section 205. Transfer of bartered materials to supplemental stockpile

Directs the transfer to the supplemental stockpile of strategic materials acquired by CCC as the result of barter or exchange of agricultural products.

Section 206. Surplus Disposal Administrator

Authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture at an annual salary not exceeding \$15,000. It is the understanding of the committee that the Secretary now has a capable Administrator doing this job—without benefit of the title here conferred. It is the committee's hope that, with this ratification of such policy, it will be further implemented by appointment of topflight assistants to the Administrator to deal with problem commodities, specifically cotton and wheat.

Section 207. Payment of ocean freight

Increases from \$300 million to \$500 million the limitation on operations under title II of Public Law 480, 83d Congress. Also authorizes the payment of ocean freight from CCC funds for commodities shipped under title II and also for commodities made available under section 416 of the Agricultural Act of 1949, if the President finds that payment of ocean freight is necessary to accomplish the purposes of these acts.

Section 208. Commission to recommend legislation providing for increased industrial use of agricultural products

Establishes a five-member bipartisan commission appointed by the President to prepare and present to Congress not later than June 15, 1957, recommendations to bring about the greatest practical use for industrial purposes of agricultural products. Authorizes appropriation of \$150,000 for the expenses of the commission.

Section 209. Donation to penal and correctional institutions

Authorizes donation of surplus food commodities to Federal penal and correctional institutions and to State reformatories and other correctional institutions for minors.

Section 210. Federal irrigation, drainage, and flood-control projects

Prohibits for a period of 3 years from the date of the act, payment of "any crop loans or Federal farm payments or benefits" on any agricultural commodity declared by the Secretary to be in surplus supply if grown on any newly irrigated or newly drained lands within any Federal irrigation or drainage project hereafter authorized. It is to be emphasized that this provision applies only to projects "hereafter" authorized, continues only for a period of 3 years, and does not apply to any lands "used for the production of such commodity" before the enactment of this provision. It will not, therefore, apply to any irrigation or drainage projects on which price supported crops are presently being grown.

Section 211. Processing of donated food commodities

Authorizes the Commodity Credit Corporation to pay the cost of processing into a form suitable for home consumption commodities donated under section 416 of the Agricultural Act of 1949. Present authority extends only to "reprocessing," which does not include such operations as the grinding of grain into meal or flour. CCC is authorized to carry out such operations now only in connection with the special relief programs authorized by Public Law 311, 84th Congress.

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Section 301. Extension of surrender and reapportionment provisions for wheat acreage allotments

Extends for the crop years 1956 and 1957 authority for the voluntary surrender and reapportionment of wheat acreage allotments.

Section 302. Acreage allotments for cotton for 1957 and 1958

Provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956.

Section 303. Cotton—small farm allotments

Establishes for the years 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would be in addition to the national acreage allotment and would not be taken into consideration in establishing future State acreage allotments. In addition, a provision promises some relief for small farmers in 1956 by authorizing the Secretary to allot in each State acreage which is underplanted and not placed in the soil bank or considered planted by virtue of notification to the county committee, for the purpose of increasing small farm allotments in 1956 to 4 acres or the highest acreage planted in the past 3 years, whichever is smaller.

Section 304. Minimum State acreage allotments for 1956 rice crop

Provides each State with a minimum allotment of rice for 1956 equal to 85 percent of the final allotment established for such State for 1955.

Section 305. Increase in peanut marketing penalties

Beginning with the 1956 crop, establishes peanut marketing penalties at 75 percent of the support price instead of 50 percent under present provisions of law.

Section 306. Collection of peanut marketing penalties

Provides for interest at 6 percent a year on peanut marketing penalties from the date when due until the date of payment and for a lien on any crop of peanuts subject to marketing quotas in which the person liable for the payment of penalty has an interest, until the penalty is paid.

Section 307. Preservation of unused acreage allotments

Provides that beginning in 1956 any producer may underplant an acreage allotment but maintain his history as though the full allotment had been planted, if he makes proper notification to the county committee of his desire to retain his acreage history. The exception would not be granted to any farm on which no acreage of the commodity was planted for 4 successive years or if done to avoid penalties. The acreage not planted could not be reallocated to any other farm.

Section 308 (a), (b), (c). Corn

The provisions in this section, together with other correlative provisions of the bill, would make corn acreage allotments inoperative for 1956 and substitute in lieu of the national acreage allotment of 43,281,000 acres a "base acreage" for corn totaling 51 million acres nationally.

To become eligible for price supports under this new program, a corn producer would be required to devote an acreage equal to 15 percent of his farm base acreage for corn to the acreage reserve or the conservation reserve program. By underplanting his corn base acreage 15 percent and placing that land in the acreage reserve, the producer would become eligible for an acreage reserve payment at the corn rate. By planting not to exceed his base acreage in corn and placing an amount of land equivalent to 15 percent of that base acreage in the conservation reserve, he would become eligible for a conservation reserve payment.

Not later than December 15, 1956, the Secretary is directed to conduct a referendum among corn producers in the commercial producing area to determine whether they favor continuation of corn acreage allotments and price supports under section 101 of the Agricultural Act of 1949, or no acreage allotments and price supports "at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn." The decision reached in the referendum would be effective for 1957 and subsequent years.

Section 308 (d). Feed grains

This subsection relates to price supports for feed grains and their inclusion in the soil bank program. The program has the following major features:

(1) In noncommercial corn areas corn will be classified as a feed grain along with oats, rye, barley, and grain sorghum. In commercial corn areas the feed grains will consist of the customary four small grains.

(2) A base acreage allotment for feed grains will be established for each farm. In 1956 this allotment will be the average acreage devoted to feed grains on the farm in the 3 years 1953-55. Thereafter a national base acreage allotment will be determined on the basis of the 1953-55 national acreages of these grains and this will be allotted to States, counties, and farms, in the usual manner of distributing acreage allotments. The apportionment of the county base acreage for feed grains to farms on the basis of past acreage, crop rotation, tillable acreage, type of soil and topography would be on the basis of the same factors now provided in the establishment of individual farm wheat acreage allotments. Under this language, any year in which the acreage for a farm is low because of abnormal weather conditions, the acreage for such year would be eliminated from the historic average since the actual acreage planted was below the acreage which would have been planted under the crop-rotation system followed on the farm.

(3) For each year in which there is an acreage reserve program in effect for corn in the commercial corn area, feed grains will be entitled to support on the following basis: Corn grown outside the commercial corn area, 85 percent of the level of price support for corn grown in the commercial area; grain sorghum, barley, rye, and oats, a percentage of the parity for each commodity which is 5 percentage points of parity less than the percentage of parity at which corn is supported in the commercial corn-producing area.

(4) In order to be eligible for such price supports on feed grains, the producer would be required to devote not less than 15 percent of his base acreage to either the acreage reserve program or the conservation reserve, and not to plant a total acreage of feed grains in excess of 85 percent of his base acreage. For 1956, however, producers may remain eligible for the price supports heretofore announced, even if they do not participate in this manner in the soil bank program and thus become eligible for the higher level price supports provided by this section.

TITLE IV—FORESTRY PROVISIONS

Section 401. Assistance to States for tree planting and reforestation

This section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation. Upon presentation by the proper State official the Secretary is authorized to approve a plan for tree planting and reforestation within the State and thereafter to cooperate technically and financially in such program. With respect to parts of the program carried out on non-Federal lands, the Federal financial contribution cannot exceed that of the State toward the same program. The Secretary is directed to cooperate with other Federal agencies and with the appropriate State forester in approving and carrying out such plans.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

* * * * *

TITLE I—SALES FOR FOREIGN CURRENCY

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SEC. 103. (a) For the purpose of making payment to the Commodity Credit Corporation to the extent the Commodity Credit Corporation is not reimbursed under section 105 for commodities disposed of and costs incurred under titles I and II of this Act, there are hereby authorized to be appropriated such sums as are equal to (1) the Corporation's investment in commodities made available for export under this title and title II of this Act, including processing, packaging, transportation, and handling costs, [and] (2) all costs incurred by the Corporation in making funds available to finance the exportation of surplus agricultural commodities pursuant to this title *and*, (3) *all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended.* Any funds or other assets available to the Commodity Credit Corporation may be used in advance of such appropriation or payments, for carrying out the purposes of this Act.

* * * * *

TITLE II—FAMINE RELIEF AND OTHER ASSISTANCE ✓

SEC. 201. In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent relief requirements, the Commodity Credit Corporation shall make available to the President out of its stocks such surplus agricultural commodities (as defined in section 106 of title I) [f. o. b. vessels in United States ports,] as he may request, for transfer (1) to any nation friendly to the United States in order to meet famine or other urgent relief requirements of such nation, and (2) to friendly but needy populations without regard to the friendliness of their government.

* * * * *

SEC. 203. [Not more than \$300,000,000 (including the Corporation's investment in the commodities) shall be expended for all transfers, including delivery on board vessels in United States ports, under this title.] *Not more than \$500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title.* The President may make such transfers through such agencies including intergovernmental organizations, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary

relief agencies to the extent practicable. *Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President.*

SECTION 416 OF THE AGRICULTURAL ACT OF 1949, AS AMENDED

SEC. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served; and (4) to donate any such food commodities in excess of anticipated disposition under (1), (2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons outside the United States. In the case of (3) and (4) above the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3) and (4) above. The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for use outside the United States. *In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such*

processing to be accomplished through private trade facilities to the greatest extent possible. For the purpose of this section the terms "State" and "United States" include the District of Columbia and any Territory or possession of the United States.

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

* * * * *

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 334. (a) * * *

* * * * *

(f) Any part of any **[1955]** 1955, 1956, or 1957 farm wheat acreage allotment on which wheat will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of wheat tillable acres, crop rotation practices, type of soil, and topography. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (c) of this section. Any allotment transferred under this provision shall be regarded for the purposes of subsection (c) of this section as having been planted on the farm from which transferred rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having wheat planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any **[1955]** 1955, 1956, or 1957 farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this subsection, and planted shall be credited to the State and county in determining future acreage allotments.

* * * * *

NATIONAL MARKETING QUOTA

SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the number of bales of cotton (standard bales of five hundred pounds gross weight) adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of cotton. The national marketing quota for any year shall be not less than ten million bales or one million

bales less than the estimated domestic consumption plus exports of cotton for the marketing year ending in the calendar year in which such quota is proclaimed, whichever is smaller: *Provided*, That the national marketing quota for 1950 shall be not less than the number of bales required to provide a national acreage allotment of twenty-one million acres. Such proclamation shall be made not later than October 15 of the calendar year in which such determination is made. *Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956.*

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ACREAGE ALLOTMENTS

SEC. 344. (a) * * *

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(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period: *Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1).

* * * * *

(c) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (e), and (d) of this section: *Provided*, That the State committee may reserve not to exceed 10 per centum of its State acreage allotment (15 per centum if the State's 1948 planted acreage was in excess of one million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship:

Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).

(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, Seventy-ninth Congress) in any one of the three years immediately preceding the year for which such allotment is determined on the following basis:

[(1) There shall be allotted the smaller of the following: (A) five acres; or (B) the highest number of acres planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) to cotton in any year of such three-year period.]

(1) *Insofar as such acreage is available, there shall be allotted the smaller of the following (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period.*

(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so that the allotment to each farm under this paragraph together with the amount of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) to cotton during any of the preceding three years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) in any such year.*

(3) The county committee may reserve not in excess of 15 per centum of the county allotment which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of

land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms, or in making adjustments in farm acreage allotments to correct inequities and to prevent hardships: *Provided*, That not less than 20 per centum of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f) (1) (B)), if any, to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection. (4) Any part of the acreage allotted for 1950 to individual farms in any county under the provisions of this section which will not be planted to cotton and which is voluntarily surrendered to the county committee shall be deducted from the allotments to such farms and may be reapportioned by the county committee to other farms in the same county receiving allotments to the extent necessary to provide such farms with the allotments authorized under paragraph (5) of this subsection. If any acreage remains after providing such allotments, it may be apportioned in amounts determined by the county committee to be fair and reasonable to other farms in the same county receiving allotments which the county committee determines are inadequate and not representative in view of their past production of cotton and to new farms in such county. No allotment shall be made, or increased, by reason of this paragraph to an acreage in excess of 40 per centum of the acreage on the farm which is tilled annually or in regular rotation, as determined under regulations prescribed by the Secretary. Any transfer of allotment under this paragraph shall not operate to reduce the allotment for any subsequent year for the farm from which acreage is transferred, except in accordance with paragraph (1) (B) and the proviso in paragraph (2) of this subsection: *Provided*, That any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm and may be reapportioned in the manner set forth above. In any subsequent year, unless hereafter otherwise provided by law, acreage surrendered under this paragraph and reallocated pursuant to applications filed in accordance with the provisions of paragraph (5) of this section shall be credited to the State and county in determining acreage allotments.

(5) Notwithstanding any other provision of law and without reducing any farm acreage allotment determined pursuant to the foregoing provisions of this subsection, each farm acreage allotment for 1950 shall be increased by such amount as may be necessary to provide an allotment equal to the larger of 65 per centum of the average acreage planted to cotton (or regarded as planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) on the farm in 1946, 1947, and 1948, or 45 per centum of the highest acreage planted to cotton (or regarded as planted to cotton under Public Law 12, Seventy-ninth Congress) on the farm in any one of such three years; but no such allotment shall be increased by reason of this provision to an acreage in excess of 40 per centum of the acreage on the farm which

is tilled annually or in regular rotation, as determined under regulations prescribed by the Secretary. An increase in any 1950 farm acreage allotment shall be made pursuant to this paragraph only upon application in writing by the owner or operator of the farm within such reasonable period of time (in no event less than fifteen days) as may be prescribed by the Secretary. The additional acreage required to be allotted to farms under this paragraph shall be in addition to the county, State, and national acreage allotments and the production from such acreage shall be in addition to the national marketing quota. The additional acreage authorized by this paragraph shall not be taken into account in establishing future, State, county, and farm acreage allotments.

(6) [Notwithstanding the foregoing provisions of this subsection except paragraph (3), if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the county acreage allotment, less the acreage reserved under paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the acreage planted to cotton on the farm during such three-year period, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion (A) apportion such county allotment by first establishing minimum allotments in accordance with paragraph (1) of this subsection and by allotting the remaining acreage to farms other than those receiving an allotment under paragraph (1) (B) in accordance with the foregoing provisions of this paragraph and (B) limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection:] *Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: Provided, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: Provided further, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under*

paragraph (3) of this subsection and shall be available for the purposes specified therein. If the county acreage allotment is apportioned among the farms of the county in accordance with the provisions of this paragraph, the acreage reserved under paragraph (3) of this subsection may be used to make adjustments so as to establish allotments which are fair and reasonable to farms receiving allotments under this paragraph in relation to the factors set forth in paragraph (3).

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APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 353. (a) * * *

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(c) Notwithstanding any other provisions of this Act—

(1) If farm acreage allotments are established by using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for owners or operators, the State acreage allotment shall be apportioned among counties in the State on the same basis as the national acreage allotment is apportioned among the States and the county acreage allotments shall be apportioned to farms on the basis of the applicable factors set forth in subsection (b) of this section: *Provided*, That the State committee may reserve not to exceed 5 per centum of the State allotment, which shall be used to make adjustments in county allotments for trends in acreage and for abnormal conditions affecting plantings;

(2) Any acreage planted to rice in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments.

In determining the past production of rice by producers on a farm for the purpose of establishing farm acreage allotments for the 1956 and subsequent crops, the acreage of rice on the farm for any year for which farm acreage allotments were in effect shall be divided among the producers thereon in the proportion in which they contributed to the farm acreage allotment.

(3) Each of the State acreage allotments for 1955 heretofore proclaimed by the Secretary shall be increased by 2 per centum or by such greater acreage as may be necessary to provide such State with an allotment equal to its 1950 allotment. In any State having county acreage allotments for 1955 (i) the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage, and (ii) the 1955 allotment for any county in which the 1950–1954 average planted plus diverted acreage of rice, adjusted for trends in acreage, exceeds the 1945–1949 average planted acreage of rice, similarly adjusted, by more than 2 per centum shall then be further increased by such additional acreage as may be necessary to provide such county with an allotment equal to its 1950 allotment. The increases in the county acreage allotments and the increases in the State allotments, where county allotments are not determined, shall be used to establish farm acreage allotments which are fair and reasonable in relation to the

applicable allotment factors specified in subsection (b) of this section and to correct inequities and prevent hardships.

(4) The reserve acreage made available for 1955 in any State for apportionment to farms operated by persons who have not produced rice during the preceding five years or on which rice has not been planted in the preceding five years shall not be less than five hundred acres; and the additional acreage necessary to provide such minimum reserve acreages shall be in addition to the National and State acreage allotments.

(5) *Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.*

* * * * *

MARKETING PENALTIES

SEC. 359. (a) The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to [50 per centum of the basic rate of the loan (calculated to the nearest tenth of a cent) for farm marketing quota peanuts for the marketing year August 1–July 31] 75 per centum of the support price for peanuts for the marketing year (August 1–July 31). Such penalty shall be paid by the person who buys or otherwise acquires the peanuts from the producer, or, if the peanuts are marketed by the producer through an agent, the penalty shall be paid by such agent, and such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer. The Secretary may require collection of the penalty upon a portion of each lot of peanuts marketed from the farm equal to the proportion which the acreage of peanuts in excess of the farm-acreage allotment is of the total acreage of peanuts on the farm. If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States and such amounts as are determined, in accordance with regulations prescribed by the Secretary, to be penalties incurred shall be transferred to the general fund of the Treasury of the United States. Amounts collected in excess of determined penalties shall be paid to such producers as the Secretary determines, in accordance with regulations prescribed by him, bore the burden of the payment of the amount collected. Such special account shall be administered by the Secretary and the basis for, the amount

of, and the producer entitled to receive a payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive. Peanuts produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins. If any producer falsely identifies or fails to account for the disposition of any peanuts, an amount of peanuts equal to the normal yield of the number of acres harvested in excess of the farm acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. If any amount of peanuts produced on one farm is falsely identified by a representation that such peanuts were produced on another farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quotas, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of peanuts is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such peanuts are produced shall be reduced by a percentage similarly computed. Notwithstanding any other provisions of this title, no refund of any penalty shall be made because of peanuts kept on the farm for seed or for home consumption.

(b) The provisions of this part shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less.

(c) The word "peanuts" for the purposes of this Act shall mean all peanuts produced, excluding any peanuts which it is established by the producer or otherwise, in accordance with regulations of the Secretary, were not picked or threshed either before or after marketing from the farm.

(d) *The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.*

(e) *Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States.*

* * * * *

COURT JURISDICTION

SEC. 376. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided in this title. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law.

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section.

C

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 2, 1956
For actions of May 1, 1956
84th-2nd. No. 71

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HIGHLIGHTS: House Rules Committee cleared farm bill for debate today.

HOUSE

1. FARM PROGRAM. The Rules Committee reported a resolution for consideration of H. R. 10875, the new farm bill (pp. 6599, D418, D421). The "Daily Digest" states that the House will consider the bill on May 2 (p. D418). Attached to this Digest is a summary of the bill.
2. LANDS. The Interior and Insular Affairs Committee reported with amendment H. R. 9451, to provide that certain lands shall be held in trust for the Seminole Indians (including certain lands, previously under the jurisdiction of this Department) and to provide that certain lands shall be designated as a reservation for Seminole Indians (H. Rept. 2084). p. 6599
3. MINING. The Interior and Insular Affairs Committee ordered reported with amendment H. R. 6501, to amend the act of July 17, 1914, to permit the disposal of certain reserve mineral deposits under the U. S. mining laws. p. D420
The Interior and Insular Affairs Committee ordered reported with amendment H. R. 7663, to transfer to the Ute Indian Tribe all U. S. subsurface rights,

including mineral rights, of land in the Uinta National Forest, for which Indians were not paid by the Government; and to provide for direction of Indian mineral operations by this Department. p. D420

ITEM IN APPENDIX

4. FOREIGN AID. Extension of remarks of Rep. Bosch stating that with regard to foreign aid programs "it has become increasingly evident that the American people are wary of the effectiveness of these programs", and inserting a newspaper article on this subject. p. A3494

BILLS INTRODUCED

5. PERSONNEL. H. R. 10925, by Rep. Dingell, to revise the Civil Service Retirement Act; to Post Office and Civil Service Committee.

6. FARM CREDIT. H. R. 10926, by Rep. Hope, to amend section 5 (b) of the Farm Credit Act of 1937, as amended, so as to permit an officer or an employee of the Farm Credit Administration, or any officer or employee of any corporation operating under the supervision of the Farm Credit Administration, to be elected to membership on a farm credit board; to Agriculture Committee.

H. R. 10931, by Rep. Polk, to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954; to Agriculture Committee.

7. POULTRY. H. R. 10932, by Rep. Sisk, to provide that when poultry is procured for use of the Armed Forces the producer thereof shall receive not less than the parity price thereof; to Armed Services Committee.

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COMMITTEE HEARING ANNOUNCEMENTS:

- May 1: Establishment of fish hatchery in Pisgah Forest, H. Merchant Marine and Fisheries (Swift, FS, answered questions).
- May 2: Use of reconstituted or processed tobacco, S. Agriculture.
Production and subsistence loans; and insurance of farm loans, H. Agriculture (exec).
Employment of experts and consultants, H. Government Operations (GAO and Justice to testify).
USDA appropriations, H. Appropriations (exec) (CSS, SCS, and ACPS to testify).
Extension of Mutual Security program, H. Foreign Affairs.
Omnibus transportation bill, etc., H. Interstate and Foreign Commerce.
- May 3: Two price rice plan, H. Agriculture (Satterfield, CSS, to testify).
- May 9: Mandatory poultry inspection under FEW, S. Labor and Public Welfare (witness not yet designated).

HOUSE (continued)

8. WATER. The Rivers and Harbors Subcommittee of the Public Works Committee ordered reported with amendment to the full committee H. R. 9540, to extend and strengthen the Water Pollution Control Act. p. D421

OUTLINE OF H. R. 10875

The provisions of H. R. 10875 are identical with the provisions of H. R. 12, vetoed by the President, except that H. R. 10875 omits the provisions of H. R. 12 included in Title I (i.e., provisions for 90% of parity price support and dual parity for the basic commodities, increased price supports for dairy products, and competitive price support levels for cottonseed and soybeans) and Title V (i.e., domestic parity plans for rice and wheat).

TITLE I - SOIL BANK ACT

Acreage Reserve Program. (Secs. 103-106) Duration of program: 1956, 1957, 1958, and 1959. Payments authorized for reducing production of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains (grain sorghums, oats, barley, rye, and corn outside commercial area). Program is voluntary, except participation in soil bank required for price support for corn and feed grains. To be eligible producer must reduce below his farm acreage allotment or base acreage established for corn and feed grains. In case of corn the total base will be 51,000,000 acres for 1956, and also for subsequent years if farmers in referendum vote to discontinue acreage allotments and 75% to 90% price support; otherwise, acreage allotments after 1957 will be established on old basis. In case of feed grains base will be average planted in 1953, 1954, and 1955. Producers allowed to participate in 1956 program, even though 1956 crop already planted, or planting prevented because of adverse weather. Overall limit on program \$750,000,000 per year, with specified maximum limits for each commodity.

Conservation Reserve Program. (Secs 107-113) Secretary is authorized to enter into contracts with producers for a minimum period of 3 years and a maximum period of 10 years (15 years in the case of tree cover) under which the producer would devote a designated part of his cropland to conserving uses. He would agree not to harvest any crop from the designated acreage and not to pasture it for a specified period except under certain emergency conditions. The Secretary would be authorized to pay a fair share of the costs of establishing the conservation use and, in addition, to make an annual payment to the producer which will provide a fair and reasonable annual return for the land diverted to conservation uses. Overall limit on program of \$450,000,000 per year.

General Provisions. (Secs. 115-127) As a condition of eligibility for any payment under soil bank program, the producer must comply with all acreage allotments or base acreages, except feed grain base acreage for 1956. Civil penalties imposed for violation of prohibition against cropping or grazing. Funds of CCC may be used for carrying out program until July 1, 1957.

TITLE II - SURPLUS DISPOSAL

Program of Orderly Liquidation. (Sec. 201) Secretary required to submit to Congress in 90 days detailed program (1) for disposal of all CCC stocks (2) for a food stamp or similar plan, and (3) for strategic stockpiling of agricultural products.

Extra Long Staple Cotton. (Sec. 202) Cotton having staple length of 1-11/16" or longer would be included within import quota under Section 22. CCC directed to sell for export at competitive world prices CCC stocks extra length staple cotton.

Agreements Limiting Imports. (Sec. 203) President authorized to negotiate agreements with foreign Governments limiting exports to U. S. of agricultural commodities or products.

Section 32. (Sec. 204) Authorizes annual appropriation of \$500 million for Section 32, with limitation of 50% on amount of such funds which may be used for any one commodity.

Transfer of Bartered Materials to Supplemental Stockpile. (Sec. 205) Provides for transfer to supplemental stockpile established by P. L. 480 of materials acquired by CCC under barter program unless such materials were acquired for regular stockpile or other purposes.

Surplus Disposal Administrator. (Sec. 206) Authorizes Secretary to appoint Agricultural Surplus Disposal Administrator.

Ocean Freight on Commodities Donated for Foreign Relief. (Sec. 207) Authorizes payment of ocean freight charges on commodities donated for foreign relief under P. L. 480 or Section 416. Limitation on expenditures for foreign relief increased from 300 million to 500 million.

Commission on Industrial Use of Agricultural Commodities. (Sec. 208) Five-member bi-partisan commission, to be appointed by President, established to make recommendations for increased industrial use of agricultural commodities.

Donations to Penal Institutions. (Sec. 209) Authorizes CCC to donate commodities to Federal penal and correctional institutions, and to State correctional institutions for minors.

Federal Irrigation, Drainage, and Flood Control Projects. (Sec. 210) Federal farm benefits restricted for 3 years for crops in surplus supply grown on such lands.

Processing of Donated Commodities. (Sec. 211) Authorizes CCC to pay processing costs on donated commodities.

TITLE III - MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment. (Sec. 301) Extends to 1956 and 1957 crops of wheat provisions whereby wheat producers could release unused portion of allotment, without affecting their future allotment.

Cotton Acreage allotments for 1957 and 1958. (Sec. 302) National acreage allotment for cotton for 1957 and 1958 shall not be less than 1956 national acreage allotment.

Small Farm Allotments for Cotton. (Sec. 303) For 1957 and 1958 provides 100,000 acres to establish minimum farm allotments for cotton of 4 acres or highest acreage planted on farm in preceding 3 years, whichever is smaller. For 1956 unused allotted acreage in State may be used for such purpose.

Minimum Allotments for 1956 Rice Crop. (Sec. 304) Provides minimum State rice acreage allotments for 1956 equal to 85% of allotment for 1955.

Increase in Peanut Marketing Penalties. (Sec. 305) Increases marketing penalty for peanuts from 50% to 75% of support price.

Collection of Peanut Marketing Penalties. (Sec. 306) Provides for 6% interest on peanut marketing penalties and for a lien to secure the penalties.

Preservation of Unused Acreage Allotments. (Sec. 307) During the period 1956 to 1959 permits producer to preserve for future years his unused acreage allotments.

Price Support and Eligibility Requirements for Corn and Other Feed Grains. (Sec. 308) As a condition of eligibility for price support on corn for 1956, producer required (1) to put acreage in soil bank equal to 15% of base acreage and (2) not to exceed base acreage. Referendum would be held to determine whether after 1956 acreage allotments for corn shall be discontinued and price support made available at such level as Secretary determines will assist producers in marketing corn in normal channels without encouraging uneconomic production.

For duration acreage reserve program, corn outside commercial area to be supported at 85% of level in commercial area and grain sorghums, barley, rye, and oats to be supported at 5% of parity less than corn in commercial area. As a condition of eligibility for price support on feed grains (includes corn outside commercial area) producer required (1) to put acreage in soil bank equal to 15% of feed grain base acreage and (2) not exceed 85% of feed grain base acreage. Producers who do not meet additional requirements of eligibility would be entitled to level of support otherwise applicable.

TITLE IV - FORESTRY PROVISIONS

Assistance to States. (Sec. 401) Provides for assistance to States for tree planting and reforestation.

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DIFFERENCES BETWEEN H. R. 10875 (COOLEY BILL)

AND H. R. 10604 (HOPE BILL)

1. The Hope bill does not contain the provisions of the Cooley bill included in Title II - Surplus Disposal and Title III - Marketing Quotas and Acreage Allotments
2. The Hope bill (Sec. 216(b)) authorizes advance soil bank payments in accordance with the President's recommendation whereas the Cooley bill (Sec. 105(b)) prohibits acreage reserve payments from being made until the Secretary has checked compliance with the acreage reduction requirements of the program.

CONSIDERATION OF H. R. 10875

MAY 1, 1956.—Referred to the House Calendar and ordered to be printed

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 492]

The Committee on Rules, having had under consideration House Resolution 492, report the same to the House with the recommendation that the resolution do pass.

○



House Calendar No. 214

84TH CONGRESS
2D SESSION

H. RES. 492

[Report No. 2085]

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 1956

Mr. SMITH of Virginia, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the
4 Union for the consideration of the bill (H. R. 10875) to enact
5 the Agricultural Act of 1956. After general debate, which
6 shall be confined to the bill and continue not to exceed two
7 hours, to be equally divided and controlled by the chairman
8 and ranking minority member of the Committee on Agricul-
9 ture, the bill shall be read for amendment under the five-
10 minute rule. At the conclusion of the consideration of the
11 bill for amendment, the Committee shall rise and report the
12 bill to the House with such amendments as may have been

- 1 adopted and the previous question shall be considered as
- 2 ordered on the bill and amendments thereto to final passage
- 3 without intervening motion except one motion to recommit.

House Calendar No. 214

84TH CONGRESS
2d Session

H. RES. 492

[Report No. 2085]

RESOLUTION

Providing for the consideration of H. R. 10875,
a bill to enact the Agricultural Act of 1956.

By Mr. SMITH of Virginia

MAY 1, 1956

Referred to the House Calendar and ordered to be
printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 3, 1956
For actions of May 2, 1956
84th-2nd. No. 72

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HIGHLIGHTS: House debated new farm bill. House passed Commerce Department appropriation bill. House committee reported bill establishing fish hatchery in Pisgah Forest.

HOUSE

1. FARM PROGRAM. Began debate on H. R. 10875, the new farm bill. p. 6581 (For a summary of the provisions of this bill, see Digest 71)

2. APPROPRIATIONS. Passed with amendment H. R. 10899, the Commerce Department and related agencies appropriation bill for 1957 (p. 6563). The bill includes \$23,000,000 for forest highways and, authorizes the transfer of \$900,000 from the 1956 "census of agriculture" to complete the tabulation of final reports and liquidation of activities under the agriculture census, and makes the balance of 1956 appropriations for the Advisory Committee on Weather Control available through July 1956.

In connection with appropriations for the Bureau of the Census, the Committee report states as follows: "It has come to the Committee's attention that recent changes made in the handling of foreign trade statistics have resulted in the consolidation of the classification for certain commodities. This change appears to have reduced the value of this information to the business concerns of the country, particularly in connection with tobacco products and electronics equipment. While the Committee is in accord with efforts to reduce expenditures wherever possible, it feels that reductions which greatly reduce the value of

information furnished can not be considered to be in the interest of economy. Accordingly the Committee feels that this change should be re-examined and consideration should be given to reinstating the former level of statistical service with a portion of the increase provided in this appropriation."

3. FOREIGN TRADE. Rep. Bailey criticized the proposed operation of GATT and CTC as being inimical to the domestic interests, and criticized the State Department for allegedly usurping legislative prerogatives in the field of tariffs and trade. p. 6608
4. FORESTRY. The Merchant Marine and Fisheries Committee reported with amendment H. R. 9822, to provide for establishment of a trout hatchery on the Davidson River in the Pisgah National Forest, N. C. (H. Rept. 2097). p. 6625
5. PERSONNEL. The Post Subcommittee of the Post Office and Civil Service Committee ordered reported to the full committee S. 3315, to amend Sec. 5 of the Civil Service Retirement Act of 1930, which permits an annuity to be paid to an officer or employee who has died prior to the completion of 1 year of creditable civilian service. p. D428

SENATE

6. FLOOD INSURANCE. S. 3732, as reported (see Digest 68), provides for the creation of a Federal Flood Insurance Administration, headed by a Commissioner, within the Housing and Home Finance Agency for the purpose of providing insurance against flood damage. It limits to \$3 billion the face amount of insurance policies and reinsurance agreements outstanding at any one time (which may be increased \$2 billion with the approval of the President). The bill also provides that no insurance or reinsurance shall be issued under the provisions of the Act covering risks against which insurance is available on reasonable terms from other public or private sources; that in providing insurance or reinsurance, the Commissioner may use the services of other public agencies, and pay reasonable compensation therefor; that the Commissioner may supply, receive from and exchange with other agencies of the Federal Government, State, local, and interstate commissions or agencies, and private organizations experience in the field of insurance or reinsurance, such information as may be useful in the administration of the programs; that in carrying out the functions authorized in the Act, the Commissioner may consult with other agencies of the Federal Government and interstate, State, and local public agencies having responsibilities for land use and flood control and for flood zoning and flood-damage prevention in order to assure that the insurance and reinsurance programs are consistent with the programs of such agencies; that where the program of the Commissioner may affect existing or proposed flood-control works under the jurisdiction of agencies of the Federal Government these agencies shall cooperate with the Commissioner in coordinating their respective programs; and that the Secretary of Agriculture and the Commissioner shall coordinate the administration of their respective programs relating to flood insurance and reinsurance for agricultural commodities.

ITEMS IN APPENDIX

7. ROADS. Rep. Fallon inserted William S. Lampe's, editor, Pittsburgh Sun-Telegraph, recent address, "Economic Impact Of The Highway Program". p. A3502
Rep. Fallon inserted a table setting forth the apportionment of Federal highway funds to the various States under the provisions of the proposed highway program. p. A3505

ing of loans and in the entire administration of its organization. I believe the feeling was almost unanimous in the House about the way the Small Business Administration rose to the emergency in the series of acts of God and the widespread disasters all over the Nation in the last year. Their efforts could not have been improved upon by any Government agency, and I feel I should say this word for many of my colleagues who benefited in their areas. My area was severely damaged; the areas of neighboring colleagues of mine were severely damaged in the mountains of Pennsylvania. These people did everything reasonable and possible to meet the circumstances with the proper expenditure of funds. I feel as well that under the general operation of granting of loans the whole atmosphere there has been changed. This man, Mr. Wendell Barnes, who is running the office down there now I believe is a sincerely dedicated man to this operation. Of course, all the people in my district that want loans are certainly not getting them, and I am very unhappy about that, but I do feel that nobody has criticized or beat this horse over the head longer or more severely than have I. However, I think they have seen the error of their ways. The legislative committee and the Committee on Banking and Currency have done a great job on both sides of the aisle to speed this up and to improve it, and certainly we have come a long way recently in the granting of loans and in the administration of this Small Business Administration.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from California.

Mr. ROOSEVELT. I think the gentleman will agree, however, if you have visited many of the field offices such as I did last summer, that in many of the field offices the burden on the staff in relation to what is coming in and going out is almost an impossible burden.

Mr. FLOOD. Let me say this. There is absolutely no question about that. For instance, in my area of Luzerne County, Pa., which is under the Philadelphia district office, that office has to rob Peter to pay Paul to send men up to assist my area. They just do not have the help. I am sure from the gentleman's much greater experience than mine in the regional offices and the district offices they do not have sufficient personnel to meet this great increase in loans, especially under this new special loan program up to \$15,000. You are quite right, and I want to help them get it. However, we did give them every penny they asked for and the people they asked for and I am sure they are trying to do a good job.

Mr. ROOSEVELT. I thank the gentleman, and I agree with him.

The Clerk concluded the reading of the bill.

Mr. PRESTON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10899) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. PRESTON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 492 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That up on the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. SMITH of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Allen, Calif.	Green, Oreg.	Matthews
Barden	Griffiths	Miller, Calif.
Bennett, Fla.	Gubser	Mollohan
Betts	Gwinn	Morrison
Blitch	Haley	Nelson
Bolton,	Herlong	O'Hara, Minn.
Oliver P.	Hillings	Passman
Bowler	Hoffman, Ill.	Powell
Boykin	Holifield	Prouty
Carlyle	Jenkins	Rains
Chatham	Jensen	Reed, N. Y.
Cole	Johnson, Calif.	Staggers
Dawson, Ill.	Jones, Ala.	Taylor
Deane	Kearns	Teague, Tex.
Donovan	Kelly, N. Y.	Vursell
Eberharter	Lane	Williams, N. Y.
Fisher	Lankford	Wilson, Calif.
Gamble	McDowell	Wolcott
Grant		

The SPEAKER. On this rollcall 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. ELLSWORTH], and at this time I yield myself such time as I may consume.

(Mr. SMITH of Virginia asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 492 makes in order the consideration of H. R. 10875, the 1956 farm bill.

The resolution provides for an open rule and 2 hours of debate on the bill.

The bill authorizes one billion two hundred million a year for the soil bank. A maximum of seven hundred and fifty million a year for the next 4 years is provided for payments to farmers to reduce the acreage of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains. Also, a conservation reserve program is set up which is designed to remove acreage from crop production on a semipermanent basis. Under this program payments approximately equivalent to the rental value of the land would be made, with an annual limit of \$450 million.

No provision is made for advance payments to farmers, and the compulsory features proposed in other soil-bank legislation were not included in this bill. Limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable disposition of funds. Provision is made for the protection of tenants and sharecroppers.

Another feature presented for the first time is a program designed to bring stability to a deteriorating feed-grain situation by cutting down the acreage of feed grain and giving producers support prices of approximately 81 percent of parity, if they comply with the acreage reduction.

Title II contains provisions to deal with the disposal of surplus commodities including the processing of food commodities, authorization to pay ocean freight

on surplus commodities donated abroad, authorization to the President to make agreements limiting imports, and authorization for studies by the Department of Agriculture to determine other means of disposing of surplus food.

Title III provides for marketing quotas and acreage allotments, and title IV contains provisions to encourage tree planting and reforestation in the States.

The committee reports comply with the Ramseyer rule, and I urge the adoption of House Resolution 492.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Virginia [Mr. SMITH] has explained the rule and the nature of the bill which the rule makes in order. I can only add that it is an open rule, it has no special provisions in it of any kind and, in my opinion, should be agreed to.

Mr. Speaker, I yield such time to the gentleman from New York [Mr. KEATING] as he may consume.

(Mr. KEATING asked and was given permission to revise and extend his remarks and to include an editorial comment on the entire farm problem.)

Mr. KEATING. Mr. Speaker, I wish to insert in the body of the RECORD some interesting and pertinent editorial comment entitled "Farm Snare," by Lester Tanzer:

WASHINGTON.—Hardly a day passes now that some new episode isn't added to this city's most exciting, and often confusing, political drama. It's called: "The Democrats' Dilemma, or How to Seem to Help the Farmer Without Actually Doing So."

The curtain went up a fortnight ago when President Eisenhower vetoed the gimmick-laden farm bill. Ever since, the Democrats have been scrambling to make the most of what they figured should have been a politically demoralizing action for the GOP. But the party's strategists, usually adept at politicking, have pulled one tactical boner after another until the advantage that once seemed theirs has slipped away.

After discarding a succession of plans, the Democrats look like they've settled finally on their strategy. This week they pushed through the House Agriculture Committee, a bill built around the soil-bank program for paying farmers not to grow surplus crops. The proposed measure also includes all the features of the vetoed farm bill which the President didn't specifically object to.

"But the Democrats carefully removed from the soil-bank plan the payment-in-advance feature Mr. Eisenhower recommended as a way of advancing \$500 million to farmers early this fall for simply signing a contract to take part in the scheme. "By God," a leading Democratic Senator was heard to exclaim the other day, "they'll mail out money to farmers before election day over my dead body."

DEMOCRATIC MANEUVERS

The Democrats' strategy, quite patently, is to pass a bill that will bring little immediate aid for farmers; the soil bank, stripped of the prepayment provision, would do little good until next year. That way, a party chieftain privately admits, "the Republicans won't be able to say we blocked farm legislation this year. And there won't be enough aid paid out before November to help the Republicans with the farm voters."

But whatever the outcome of the Democrats' latest maneuver, it's clear they are in a political box right now. To understand just how the Democrats have gone about snatching defeat from the jaws of victory, in Wash-

ington at least, consider the background and the earlier episodes of the drama:

Ever since the farm fight began back in January, the Democrats had been pointing toward a Presidential veto. Forcing Mr. Eisenhower to reject a bill that might have brought some fast relief for growers, party leaders reckoned, would sew up the farm vote they thought was moving their way anyhow.

With the aid of farm-State Republicans, the Democrats nursed high price-support bills through the Senate, a House-Senate conference committee, and then through both Houses the last time around. When Mr. Eisenhower vetoed the measure, as expected, the Democrats were jubilant.

But when the smoke cleared, the Democrats' position wasn't as strong as it first seemed. Mr. Eisenhower's nationwide broadcast in explanation of the veto took much of the edge off his action. In his message he announced the administration, on its own, was boosting price supports on major crops. And the Chief Executive also unveiled the advance-payments plan, concocted at the last minute by his politically astute White House advisers.

Then the Democrats pulled a boner when they tried to override the veto in the House, which originally voted for the farm bill by 237 to 181. Democratic leaders conceded they couldn't muster the necessary two-thirds vote to pass the bill over the President's veto but they figured a decisive majority vote would embarrass the administration even more.

MAJOR MISCALCULATION

But the Democrats miscalculated. Farm area Republicans, impressed by the aid Mr. Eisenhower offered farmers in his veto message, stayed in the fold. Big-city Democrats, aware of the overwhelming approval with which urban folks greeted Mr. Eisenhower's broadcast, sided with the administration. Result: The Democrats couldn't even raise a simple majority, losing 211 to 202.

GOP leaders quickly moved to keep the Democrats on the defensive by introducing the soil-bank program again, this time with the President's advance-payments scheme. Phone calls from the White House went out to Republicans who had bolted the administration to make sure they lined up behind the soil-bank scheme.

The Democrats countered by contending the President could have set up a soil-bank plan under existing legislation—that all he needed was the money. The idea was to make it seem that the Republicans, not the Democrats, were delaying the soil bank. To dramatize this argument, the Democrats in the House Appropriations Committee quickly voted \$1.2 billion for Agriculture Secretary Benson. Of course, if Mr. Benson couldn't legally spend this money to help the farmer, as the farm chief claimed, that was all to the good, thought the Democratic strategists.

But the vote in the Appropriations Committee backfired. House Republicans promptly moved to tie specific authority to set up a soil bank to the new spending money voted Mr. Benson. Sensing defeat, the Democrats dropped their efforts in the Appropriations Committee and cast about for more direct legislation.

DITCHED SCHEME

First the Democrats proposed combining the soil-bank plan, without the advance-payments feature, with a sort of Brannan plan. Uncle Sam, according to this scheme, would pay the farmers direct handouts covering the difference between the going support rate and 90 percent of parity. But it soon became obvious to Democratic leaders they couldn't get enough Republicans to go along to pass such a bill.

So the Brannan plan cash payments came out. In its place entered a host of minor

provisions first included in the vetoed farm measure that would do farmers little good right away but which might let the Democrats claim the new catchall as their bill. This is the position the Democrats are now assuming.

Whether the Democrats will be able to push their bill all the way through Congress without surrendering to Republican demands for prepayments under the soil bank is open to question.

What's certain, though, is the political jockeying for position on farm legislation is likely to go on clear through summer and into the fall. In fact, it may not be until next November 6 before the final curtain comes down on the Democrats' dilemma.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I said from the Well of this House on three other occasions within the last month that I have been supporting the soil-bank plan for over 3 years. I have been supporting it because it means a great deal to agriculture and especially to the areas which have price-supported crops.

May I say to those who are not familiar with the terms of the soil-bank plan that it provides the first method I have ever seen in this House of reducing acreage and thereby reducing supply, without in fact, reducing the farmer's income.

It is true this plan will not increase the farmer's income per acre over what he would have received had he planted a crop. But we can say that the soil-bank plan will not reduce his income. What is most important now is that farm income per acre does not continue to slide. That is feature No. 1 of the soil-bank plan.

Feature No. 2, and far more important, is the fact that within a 2- or 3-year period we should be able to bring supply somewhere in balance with demand, if this program is properly administered. Now, why is this second point so important to just the average corn farmer? For this reason. When supply is reduced, almost automatically the demand goes up and the price of corn rises in the open market place. The effect of the soil-bank plan by raising the price for the farmer in the open market place is the best long-run result I can think of. When the farmer gets a fair price in the market place, all other problems seem to disappear.

The soil bank has this third feature: We have been paying subsidies over a long period of time. The soil-bank plan, by reducing acreage and supply, offers the first opportunity for the farmer to get away from the subsidy and parity payment. When his price rises to a fair figure, whether he comes under the acreage program and complies or not, it means that he will be able to sell his produce to the consumer. It will not be necessary for the government to take it, store it and to pay the farmer for it.

Mr. Speaker, for these three reasons this bill ought to pass. First, it will reduce acreage. Secondly, it will eventually increase the price to the farmer in the open market place as the program becomes effective. In the third place, it will mean a definite reduction eventually in the payments from the Government.

Treasury to the farmer himself. All of these are good reasons why we should have a soil-bank plan enacted into law in 1956.

Had we had a soil-bank plan in 1955 and had it been put into effect in 1955, my prediction is that we would not be here arguing for some of the legislation which we have already voted on this spring. In my estimation, this is constructive legislation recognized by every farm expert and economist as in the best interests of long-term agriculture.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. On page 2 of the committee report there is the statement that none of the provisions contained in this bill were assigned by the President as reasons for the veto. I have had inquiry whether that is true. Is that correct?

Mr. POAGE. Mr. Speaker, if the gentleman will yield, I do not have the veto message before me, but I remember no provision which he assigned as a reason for vetoing the bill, which is contained in this bill we have before us today.

Mr. SPRINGER. If I understand the gentleman, this is practically the same portion for the soil bank plan that was within the old bill.

Mr. FULTON. I want to make sure of that point.

Mr. POAGE. I can say to the gentleman it is not practically the same; it is word for word the same, and there is absolutely no word changed in this soil bank title of the bill.

Mr. FULTON. But there is no provision in this bill to which the President objects, is the point I want to nail down.

Mr. SPRINGER. I am not sure about that point but I believe there is no major objection.

Mr. POAGE. I am sure you know more about what the President wants than I do but he did not state in his veto message that he objected to any provision we have carried in this bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, this bill, as I understand it—and I have tried to study it—contains the same language that we had in the conference report, but has had removed those features of the bill that were objected to by the President. Title 101 was stricken from the bill. That had to do with 90 percent rigid supports. Personally, while I voted for the conference report, I have long felt that neither rigid nor flexible supports are the answer to a solution of the farm problem. I might say further that the soil bank which I favored is a measure which, if it works, will actually help remove the surpluses in this country. I should like to see a separate vote on the soil bank because I feel that is the important thing that the President wants to put in operation here, leaving out even the other features of the bill, most of which are good and most of which I favor. Whether we will have that chance or not I do not know at this time. But let me remove any doubt that some may have here about there being new language in this bill be-

cause it is my understanding that this measure, which has been studied, contains the identical language, and the unobjectionable features of the identical language in the conference report on which we spent nearly 2 weeks, and which was debated both in the House and in the Senate.

There should not be much debate on this bill, because we have considered it for so long. We ought to pass the rule very quickly and get into the general debate and then consider such amendments as may be offered. I do not favor many of them, if any. But we should pass this bill and get it over to the Senate so that the program may go into operation this year, 1956, so it can at least begin operating to take care of the fall-sown crops, the winter wheat and the other winter grains. It will probably be too late to take care of corn.

The minority members of the committee, together with the majority, have devoted a great deal of time since the veto message, to the drafting of a satisfactory bill. I voted to sustain the veto because I do not want the farm problem thrown into politics. Farm legislation should not be a political issue. It is a decided political issue throughout the Midwest. If I could do anything to take farm legislation out of politics, I would do it by the passage of this proposed legislation. We in Congress here should be big enough to treat this on a strictly economic basis rather than a political one. Farmers no doubt have suffered in many parts of the country, particularly in my section where farm income and farm prices have dropped 25 percent or more. Our farmers do not like it when they see wages in industry going up by leaps and bounds and the cost of everything going up. They are wondering what is happening in this country.

Mr. LOVRE. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from South Dakota.

Mr. LOVRE. Mr. Speaker, I want to commend the gentleman for the statement he has made. Certainly this is strictly an economic and not a political problem. May I ask the gentleman, is it not true that every member of the House Committee on Agriculture will say that it is an economic problem and should not become a political problem in any sense of the word?

Mr. AUGUST H. ANDRESEN. In the years I have been a member of the committee, and they are a few, we have always tried to consider farm legislation as a nonpolitical question. That is the way it should be.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If the major purpose of this bill is to reduce acreage, why is the corn acreage increased 9 million acres this year to 51 million acres?

Mr. AUGUST H. ANDRESEN. If the gentleman will read further in the bill he will find that at least 15 percent of that corn acreage goes into the soil bank.

Mr. FULTON. So that actually if it is 15 percent they must reduce it about

7 million to 7,500,000 acres? That is a net increase of about 1,500,000 to 2 million acres in corn acreage.

Mr. AUGUST H. ANDRESEN. The corn-acreage allotment for this year was so low that in many instances if the farmers want to comply they cannot raise enough corn to feed their livestock on the farms. I think that is a good feature of the bill.

Mr. FULTON. Will this bill result in an increase of prices to the farmers who will be buying feed in the East?

Mr. AUGUST H. ANDRESEN. If it does increase his price, I do not think it will materially. But in the gentleman's area there has already been a 45- to 50-cents-per-hundred-pounds increase on the price of milk to the producers at a time when there is a flush season in milk production.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10875, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I shall not attempt to discuss the history of the bill that is now being presented. I assume that almost every Member of this House is entirely familiar with what has transpired up until this day.

We have moved along right rapidly since the veto of H. R. 12. The bill before you was introduced last Friday. The Committee on Agriculture, by a unanimous vote, reported the bill on Monday. On Tuesday we obtained the rule. On Wednesday, today, the bill is being debated, and tomorrow the votes will be taken.

It has not been the purpose of the House Committee on Agriculture to delay farm legislation even for an hour. I do feel justified in reminding you, who, in turn, might like to remind your constituents, that H. R. 12 was introduced on January 5, 1955, and was considered and passed by this House more than a year ago. Certainly no Member of the House can be blamed for having delayed consideration of farm legislation. While I am not willing to capitulate, nor am I willing to abandon my firm belief in the 90-percent price-support program for basic agricultural commodities when such commodities are under acreage allotments and marketing quotas, I think the time has come when all of us must be realistic. We know that the President, in the exercise of the powers of his high office, vetoed H. R. 12, which had passed this House and the other body by a substantial majority. I do

not suppose any of us would be justified in criticizing the Chief Executive of this great Republic. I understand in addition to the veto of H. R. 12, the President has vetoed bills numbering about 61. I have no desire to impugn his motives.

I am perfectly willing to believe the President followed the promptings of his own heart. But, I cannot help believing that he was not well advised in exercising the veto power. Realizing, as our committee did, that the President had objected to several important provisions in H. R. 12—one, the price-support provision, another, the dual-parity part of it, the domestic parity for wheat and the two-price system for rice.

I think those are the four important provisions on which the President based his veto message. The price-support provision plus the dual-parity provision would have meant more than \$1¼ billion to the farmers of America. But that went out with the veto. The President did have something further to say about the section dealing with corn and small grains. But I do not believe that that was of major concern to him.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. I had understood that there was a fourth matter which the President objected to in the veto message by specific message, and that was the matter of the inclusion of feed grains.

Mr. COOLEY. I did mention that.

Mr. HALLECK. I did not understand the gentleman to list that in his statement.

Mr. COOLEY. I did mention that just before I yielded to the gentleman. I said he had some comments on feed grains but I do not believe that that was of major importance.

Mr. HALLECK. I would like to ask one further question. Certainly, the report contains this statement through some error of inadvertence. The report says that not one of the provisions contained in this bill were assigned by the President as a reason for the veto.

Mr. COOLEY. That might be slightly in error because while the President had some objections to the corn provisions, and I am sure there are Members of the House who have some misgivings about that provision, we eliminated all of the provisions to which the President objected except the one the gentleman has just mentioned. We are bringing you a bill here now which was taken bodily from the conference report. It is not Mr. Benson's bill—not by any means. It is the bill which was written here in this Capitol by 5 Senators and by 5 Congressmen. The bill before you now has passed this House and has passed the other body.

Except for the one item which was mentioned by the gentleman from Indiana, it has not met with the President's disapproval. This bill contains many things of great value.

As I pointed out, when we were considering H. R. 12, there are many provisions here in addition to the soil bank. We are giving to the President the soil bank of the type he recommended. It is

entirely voluntary. If the President wants the soil bank, here is an opportunity for him to have it.

I shall not enumerate the other 12 or 14 very valuable sections, but I do want to say that in one section we give the President \$500 million to add to section 32 funds. In another section we increase to \$500 million the amount the President may use under title II of Public Law 480. We give him a bipartisan board, which we hope will be composed of five experts, to study and develop new industrial uses for agricultural commodities. We have authorized the processing of grain for domestic relief distribution and the paying of ocean freight on surpluses sent to relieve distress abroad. We have tightened the control programs with an increase in the penalty on peanut quota violations, and other provisions which we think are very much worthwhile.

One provision I particularly want to mention, and that is the section which authorizes the President to negotiate agreements looking toward limiting the textile imports into our market. There was a gentleman here from Japan who wanted to reach an agreement with some official of our Government by the terms of which Japanese textile imports into the United States would be limited. The man stayed around here for weeks and weeks, and no official of the executive branch of the Government would even confer with him. We did not want him to go home and report to the Japanese people that he had visited Washington and had not been received by any official who was willing to even sit down and discuss this very important and disturbing problem with him. This man represented all of the cotton textile spinners of Japan.

So in this bill we authorized the President to negotiate with this man, and perhaps with others, regarding the imports into our market. I think that is an important section. When the President receives this bill he can direct someone in the State Department to sit down with this man and discuss the problems which are vital to the economies of both great countries. Japan is our best cotton customer. Of course Japan must earn some money in our markets if Japan is going to continue to consume cotton that is grown on our farms.

There are many other good things in this bill. The feed grain provision—while it may need some adjustment—is an important first step toward the solution of an increasingly serious problem. The provision permitting a farmer not to plant his allotted acreage and still receive "history" for it will help the surplus situation.

We bring you a bill in good faith, believing that this is the very best bill that could possibly be presented to the House at this time.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. May I just go into one question I would like to propound to you?

Mr. COOLEY. Yes.

Mr. H. CARL ANDERSEN. First, may I say that I wish to congratulate the Committee on Agriculture on the splendid job it has done in presenting this bill to us. As I understand, the bill itself is subject to amendment, is it not?

Mr. COOLEY. It is.

Mr. H. CARL ANDERSEN. Preceding speakers have very aptly pointed out that this bill before us is designed to meet an economic need of agriculture—not for any political purpose. I cannot place too much emphasis on that term "economic," for we are here today discussing a soil-bank bill specifically designed to overcome in large measure the economic problem in agriculture without which there would be no need for this legislation.

Let us not in the heat of debate or in our enthusiasm for this proposal lose sight of the basic objective of this bill, and that is to take productive land out of surplus production and retire it to a conservation status. Perhaps too much has been said about the amount of payments farmers would receive for their participation, which would lead some to believe that such payments were the primary purpose of the legislation. Let me remind you that the payments are merely the vehicle, so to speak, on which we hope to arrive at the greater objective which is better balance between production and consumption.

I believe we are all agreed that this better balance between production and consumption we seek to attain through the operation of a soil-bank program is an absolutely essential element to a prosperous economy in American agriculture. We seek by this bill to authorize the appropriation of a billion dollars or more to the Secretary of Agriculture and to give him broad authority to use that money for the reimbursement of farmers participating in the soil-bank program. We say that he shall set payment rates high enough and take such other steps as may be necessary to encourage participation in the program, and we say in debate that we want the maximum productive acreage brought into the program as quickly as possible.

It has been said repeatedly that this program is not compulsory and that everything has been done to facilitate participation. But I would point out to the gentleman and to the Committee that there is one little section, innocuous in appearance, which, if left in the bill, will tend to defeat its very purpose in the major corn-producing areas of the Nation. I refer to the provision in section 214 which provides that—

No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which * * * or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn.

I should remind the gentleman that last year only about one-half of the farmers in the commercial corn area stayed within their corn allotments. Now, a situation has arisen as a result of the announcement by the Secretary of Agriculture that such corn produced by noncooperators in the commercial corn area will be supported this year at

\$1.25 per bushel. In other words, the Secretary has advised our corn farmers in my district and throughout the commercial corn area that they may produce all the corn they like and it will be supported at the \$1.25 per bushel rate. That means that cooperation or compliance with corn allotments will surely fall away to almost nothing.

Had I know, may I say to the gentleman from North Carolina, that this situation existed at the time that I introduced a companion bill, as I did on April 16, I certainly would have insisted on keeping out of the bill that subsection (3) of section 214.

I believe, and from the debate here today and previous discussions with members of the Committee on Agriculture I am sure you share that belief, that under the general terms of a soil bank we do not want to throw any impediments in the way of any farmer or any great number of farmers to prevent them from coming in on this great program.

I am not criticizing the Secretary of Agriculture for announcing this support rate on noncompliance corn, as it will mean millions of badly needed income dollars in my district. However, I must point out that the combination of the two will most certainly defeat the soil bank and its objectives in our area.

As we have agreed earlier, this problem is economic and the economics of this particular situation are such as to compel our corn farmers to stay out. As a result, we will proceed to a considerable expansion of our corn acreage and will not be permitted under the terms of this bill as now written to put any of our acreage in the acreage reserve.

Literally hundreds of thousands of farmers in the most productive section of this Nation are involved. Their farm lands comprise the very acreage we seek and we hope to retire from production under this legislation.

You recognize under the section questioned by the gentleman from Indiana the interrelationship between corn and other feed grains. You know that farmers in other sections of the country who place part of their corn or other feed grain acreage in the soil bank will be denied the full benefit of such action on the market by our failure to do likewise. At best, we will only maintain status quo on total feed grain production and we might end up with increases. What we seek is a decrease to bring production and consumption more nearly into balance for a better market condition.

From a dollar and cents standpoint, we simply cannot afford to comply with even the increased corn base under the terms of this bill in order to become eligible for the soil bank. I say to you, that we cannot economically benefit in any measure from such action and actually our farmers would suffer sizable income losses if they did so. The result will be, as I have said, that the very land you seek to place in conservation reserve will by this minor technicality in the bill be kept in full production.

The provision I refer to tends to defeat the very fundamental objectives of

the bill. I intend to offer an amendment tomorrow to strike subsection (3) of section 214 from the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. Certainly.

Mr. COOLEY. I just want to say to the gentleman that that is about the only controversial section in this bill. I do not know of anybody who could possibly have worked any more diligently or more faithfully on that section than the gentleman from Texas [Mr. POAGE], who stayed here throughout the entire Easter recess working morning, afternoon, and night with Congressmen from the corn-growing area in an effort to work out a satisfactory provision. It seems to me it would be a good idea for the gentleman to confer with the gentleman from Texas [Mr. POAGE], and other members of our committee from the great Corn Belt; and certainly it is my purpose to accept any amendment that Mr. POAGE and his subcommittee recommend. But we have to bring it to the House as it is, because we could not bring it here otherwise.

Mr. H. CARL ANDERSEN. May I say to the gentleman from North Carolina that I think he has done the right thing writing the bill as he has, lifting it out of the conference report in so many aspects, because the contents of this bill have been gone over so thoroughly by both the House and the Senate. I think you have done a splendid thing in doing so. This situation, however, that I bring up now has occurred since H. R. 12 was debated on the floor and I sincerely believe if we permit this subsection to stay in there will be very little compliance in the huge Corn Belt with the soil-bank provision. That would be regrettable. I appreciate the gentleman's letting me have this time, but I do not want to see our Minnesota farmers prevented from putting land in the soil bank because of this section 3 of the bill. I would appreciate if the gentleman from Texas [Mr. POAGE] would give consideration to that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. In connection with corn, in order to be eligible for the \$1.50 price support you would have to put in 15 percent of any cropland. You do not have to use corn land to reduce your total crop acreage by 15 percent to be eligible. The Nation has a base under the terms of this bill of 51 million acres for corn, whereas under the Presidential announcement on which he predicated support of unlimited corn production at \$1.25, he did that on the theory—I do not agree with the theory, but certainly he did it on the theory—that without this bill you would have a 43-million-acre national base for corn, or some 8 million acres less than you would have under the terms of this bill. The President unquestionably felt with that small base he would find relatively few corn producers complying with the base. But we raised the base in this bill by 8 million acres.

Mr. H. CARL ANDERSEN. That will not do the job anyhow in my area nor throughout the commercial corn area. Read the language, please, under subsection 3. It definitely excepts from receiving any money out of title I of this act any farmer who overproduces his quota allowance or his farm acreage allowance.

Mr. POAGE. The quota allotments are going to be substantially larger than if we do not pass the bill. The important part is if we do not pass this bill, the quota allotments will be only 43 million acres. If we do pass this bill, the quota allotments will be 51 million acres, and each individual is going to gain in the same proportion. It is a tremendous difference because corn has never taken a substantial cut, and even under the 51 million acres, allotment corn is not taking a cut comparable to other crops we have in here. Cotton, for instance, has a cut of more than 36 percent, peanuts have taken a cut of more than 52 percent, but corn is taking, even under the terms of this bill, a cut of about 4 million acres out of 55 million acres.

Mr. H. CARL ANDERSEN. I will discuss that with the gentleman personally later.

Mr. COOLEY. I hope you gentlemen will get together, and if you can offer anything better than we have in the bill, I certainly would have no objection to having it considered.

Mr. HOPE. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, I feel it is not necessary to take a great deal of time to discuss this measure, for the reasons that the distinguished chairman of this committee has already given. There is nothing in this bill which was not contained in the bill which came to us in the form of a conference report on H. R. 12. It has been pretty well considered and pretty well explained, and I sincerely hope that the House will accept this measure which has been approved by the Committee on Agriculture and which is, let us say, at least 95 percent non-controversial.

This bill contains everything which was contained in the conference report on H. R. 12 except title I and title V. Title V contains the so-called two-price system for wheat and rice. Those were controversial questions. We left them out. Title I contained the provision relating to 90 percent price supports and dual parity and some milk provisions. These were controversial, and we left them out.

Now, there remains in the bill as it has been reported one provision that was objected to by the President in the veto message. It was not, in my opinion, considered as a major objection, but it was referred to, and that was the provision relating to mandatory price supports on feed grains.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Can the gentleman advise us as to the provisions in the bill that affect shade-grown tobacco?

Will the growers of shade-grown tobacco be allowed to participate in the soil bank?

Mr. HOPE. I am not enough of a tobacco expert to know whether shade-grown tobacco is included in the tobacco provisions of the soil bank or not. I would like to have the gentleman from North Carolina answer that.

Mr. SEELY-BROWN. Will the gentleman advise me as to whether the growers of shade-grown tobacco will be able to participate in the soil bank.

Mr. COOLEY. In the first place, I doubt whether the producers of shade-grown tobacco would be interested in the soil bank at all. I do not think any of my burley producers or flue-cured producers or others would be interested in it except in very rare instances where they have very small acreage and they might turn some of it in. But, the shade-grown people I do not suppose would be interested in this. They have never been interested in any soil bank program. I think they will not be attracted to it, and I do not think any of my producers will be attracted to it.

Mr. HOPE. Let me say further, that the shade-grown tobacco producer could undoubtedly come in under the provisions of the conservation reserve, but I would not anticipate he would want to do so, because the payment he would receive under the conservation reserve is small as compared to the amount he receives per acre of tobacco and would offer no inducement.

I do not see shade-grown tobacco in the acreage reserve provision unless it is represented by some type number that I do not identify. Does the gentleman know what numbered type of tobacco refers to shade grown?

Mr. SEELY-BROWN. I wanted to go into the matter, but I will bring it up tomorrow under the 5-minute rule.

Mr. HOPE. If the gentleman will refer to section 103 of the bill, he can see the types of tobacco listed and can ascertain whether shade grown is included in those provisions. I doubt very much, however, if the gentleman's tobacco producers, with such a high return per acre on shade-grown tobacco, would want to come in under the program.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Massachusetts.

Mr. HESELTON. It so happens that I have a considerable amount of shade-grown tobacco in my area, and it is a fact that because of the development of this homogenized wrapping tobacco they have undertaken a program of voluntary cutback which is very substantial. I am not aware of what their position may be, but I hope it will be possible for the chairman of the committee and the gentleman to advise us tomorrow as to what the committee's intentions are with reference to that particular crop.

Mr. HOPE. I should be very happy to comply with the gentleman's request and I am sure the distinguished chairman of the committee also will be happy to do so.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I did not hear the request.

Mr. HOPE. The gentleman's request, as I understood it, was that he would like to be advised whether shade-grown tobacco is included in the types of tobacco which are listed in the bill.

Mr. COOLEY. I am quite positive it is not. I do not believe that shade producers would be at all interested in it because it is a very expensive crop and the limited fixed in the bill would not indicate that it would be applicable to shade-grown tobacco because under no circumstances could they pay more than \$300 an acre.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. It is my understanding that they may will feel the effect of this homogenized tobacco product. The effect it will have on shade-grown tobacco will be felt and the producers of this tobacco may wish to be included in the soil bank.

Mr. COOLEY. I shall try to get accurate information on that in a few minutes for the gentleman.

Mr. AVERY. Mr. Chairman, would the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. AVERY. I wonder if my colleague would refer to page 7 of the committee report, section 120. There seems to be a misprint there when it refers to the authorization of funds of the Commodity Credit Corporation to carry out provisions of the soil bank and provides that after June 30, 1947, such funds may not be expended unless authorized by Congress. This might be important if it remained in the committee report and were taken as an interpretation of the intent of the committee.

Mr. HOPE. That undoubtedly is a typographical error. I had not noticed it.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. I am wondering if there are any limitations in this proposed legislation on the amount which may be paid for specific acreages. I am thinking offhand of irrigated acreages where the cost to the farmer of retiring them from production would be much greater than the cost would be in non-irrigated areas. Is there any limitation on the amount which the Department may pay to the farmer per acre?

Mr. HOPE. There are overall limitations as to amounts that may be spent for the various commodities. The legislation itself does not establish any maximum payments per acre. If the gentleman will look in the appendix to the conference report on H. R. 12 he will note there a statement furnished by the Department in which is stated maximum and minimum amounts that may be paid in the case of individual commodities. I would suggest that the gentleman examine the original conference report which contains the maximum and minimum amounts that may be paid in the case of any commodity.

For instance, in the case of cotton it is estimated that the amount that might be paid per acre would run from \$48 to \$60; in the case of wheat it would run

from \$18 to \$25; in the case of corn from \$36 to \$50; in the case of other feed grains from \$15 to \$50; in the case of rice from \$60 to \$75; in the case of peanuts from \$50 to \$70, and in the case of tobacco from \$100 to \$300.

Those are estimates pure and simple. They are not final in any way but they are the best estimates the Department could compile at the time the conference report was filed.

Mr. BUDGE. Mr. Chairman, will the gentleman yield further?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. Would it be proper to assume that if the Department in its discretion determined that a figure higher than the approximate cost per acre to which the gentleman from Kansas has referred in the conference report were necessary to retire acreages it could do so within the total limits on the amounts to be spent under each program? Could the Department fix that higher cost per acre?

Mr. HOPE. There is nothing in the bill and nothing in the report which would in any way inhibit the Department from making higher payments. I think we all have to keep in mind that this is a new program. The immediate purpose, of course, is to take land out of the production of surplus commodities, under both the acreage reserve and the conservation reserve. The long-range purpose is to further conserve our agricultural resources.

I think it is going to be something in the way of a trial-and-error process. Careful studies will have to be made before the Department determines just what payments will retire the amount of land it is hoped to retire. That will have to be determined by surveys made among the producers of the commodity. It will be determined somewhat by whether or not alternative uses can be made of the land. It is something that I do not believe can be fully determined down here in the Department of Agriculture; it will have to be determined out in the field to a certain extent. But I am sure that the Department is very anxious to have this program succeed and that it will offer what amounts may be necessary to secure substantial reductions.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Illinois.

Mr. YATES. Is there any limitation in the bill on the amount of money that may be paid to any individual landowner?

Mr. HOPE. No, there is not. I am glad the gentleman asked that question. I will say that there were some limitations in the Senate bill but in the conference the committee eliminated that language, for the reason that under the general purpose of this legislation it is hoped to retire a considerable amount of land. It was felt that putting any limitations on payments might thwart this purpose.

We know that many small farmers feel that they cannot take any of their acreage out of production. They feel that it is necessary for them to retain the acreage they have to obtain the fullest use of their equipment. So I anticipate that if

we get substantial reductions a good deal with have to come from the larger farms. If we put a limitation upon the amount that may be paid, we are going to prevent these reductions on the larger farms and to that extent we will limit the success of the legislation.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from South Dakota.

Mr. LOVRE. I wanted to make this clear: Are the contracts that will be entered into under the soil bank program negotiable or assignable? In other words, can a producer go to a bank and make a loan and put up this contract as collateral?

Mr. HOPE. Yes the language of the bill in section 105 on page 10 specifically provides for this procedure.

Mr. POAGE. Certainly.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. LOVRE. The reason I asked that question is that we are encountering a little trouble with wool certificates. We had a great deal of trouble determining whether or not they were assignable.

Mr. HOPE. I do not recall the language in the wool legislation. Does the gentleman recall the language in the wool bill?

Mr. LOVRE. No; I do not.

Mr. HOPE. I do not recall the language in the wool bill as to whether it was similar or not.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JONAS. All compulsory features have been eliminated and there are none in this proposed legislation?

Mr. HOPE. There are no compulsory features in the legislation except the provisions with respect to corn and feed grains. In that case, the farmer in order to secure the benefits of the soil bank must stay within his acreage allotments.

Mr. JONAS. I have a lot of small cotton farmers in my district. I do not think many of them will be able to afford to put much acreage in the soil bank at the amount of return estimated. Would it be correct to assume that they might expect some benefits from this program, however, at the time that they get rid of the surpluses and in anticipating an increase in the price in the market place for their cotton?

Mr. HOPE. Yes; I am glad the gentleman asked that question. It is a point I meant to cover, but I might not have done so if the gentleman had not asked the question. That, I think, is the principal benefit which will flow from this legislation. There will be a great many farmers, both large and small, and I think more particularly the small farmers, who will not feel that they are able to come into the program. But, if we can secure an adequate reduction in acreage and production under this legislation, we will achieve in time a balance between production and consumption which will redound to the benefit of every farmer in the country whether he actually comes in the soil bank or not or finds himself

unable to do so. That is the purpose of the legislation—not primarily to make payments to the farmers—that is necessary in order to get the reduction, but the fundamental immediate purpose is to achieve a balance between production and consumption so that we can get rid of these surpluses. Until we are able to eliminate the surpluses we are not going to have a healthy agricultural situation in this country.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. REES of Kansas. The gentleman has explained that all this soil bank thing is optional on the part of the farmers. He can take it or not.

Mr. HOPE. With the exception of corn and feed grains.

Mr. REES of Kansas. Yes, except for that. I would like to ask the gentleman this question. In respect to the present Executive order as compared with this legislation, is not the corn farmer better off under the present Executive order whereby he gets \$1.25 per bushel on all the corn that he wants to grow than he is under this bill?

Mr. HOPE. I think that is a question which every corn producer will have to decide for himself. I am expecting that most corn farmers probably will take that view of the matter.

Mr. REES of Kansas. So that there will not be very much curtailment in the production of corn?

Mr. HOPE. It is my impression that with this price support of \$1.25 per bushel without requiring any adjustment of acreage, will largely nullify any benefits this year from a soil bank, as far as corn is concerned. But we have to consider that the legislation comes along at so late a date that there probably would not be an opportunity for very much reduction in any event.

Mr. REES of Kansas. In respect to wheat, what advantage is there in this act compared with the present Executive order?

Mr. HOPE. Of course, wheat is somewhat different. There is no compulsion as far as wheat is concerned.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 3 additional minutes.

Every wheat farmer will have to decide for himself whether he will be better off financially to come into the program and reduce his acreage or go ahead and plant his full acreage allotment. I am referring to the acreage reserve, and under that he must underplant his allotment in order to receive any benefits.

Mr. REES of Kansas. Take dairy products, for instance, is not the dairyman just as well off under the present Executive order as he is under this legislation?

Mr. HOPE. He is not affected by this legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. SEELY-BROWN. I want to thank the gentleman for his courtesy. With reference to the question which I had asked earlier, the language on page 4,

lines 2 and 3, is a satisfactory answer to the question which I asked earlier, and I thank the gentleman.

Mr. HOPE. I am happy that we have reached an understanding on that matter.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. KNOX. Can the gentleman inform the House as to the penalty provisions that are provided under the soil bank that would have to do with grazing or harvesting of crops that were under contract under the provisions of this bill?

Mr. HOPE. They are exactly the same provisions as contained in the conference report on the other bill (H. R. 12).

Mr. KNOX. They are the same provisions that were stipulated in the conference committee's report?

Mr. HOPE. That is correct. That means, of course, that a person who grazes or harvests any crop will not only lose his payments but he will suffer a 50-percent penalty in addition.

Mr. KNOX. Of course he would lose the total payments under the provisions of the contract, plus a 50-percent penalty?

Mr. HOPE. That is correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. H. CARL ANDERSEN. The gentleman stated to the gentleman from Kansas [Mr. REES] that in his opinion the corn farmer would accept in all probability the \$1.25, and very few of them would come under the provisions of the soil bank. Am I stating the gentleman's reply to Mr. REES perfectly?

Mr. HOPE. That is my opinion, based not so much upon my own personal judgment and observation as that of people in the corn belt who I am sure have better knowledge of the situation.

Mr. H. CARL ANDERSEN. I think the gentleman is entirely correct in his answer to the gentleman from Kansas, Mr. REES, and that is why I am suggesting that we simply take out subsection 3 on page 24 so as to make it possible to put perhaps three or four million more acres of feed grain lands under the soil bank than otherwise we will not obtain. I am thinking of my own personal situation. Hundreds of thousands of corn farmers are going to be attracted by this \$1.25 raise-all-the-corn-you-want price.

I am thankful for that; it means millions of dollars to my congressional district. But thinking about this soil bank and the effect upon this soil bank if subsection 3 stays in this bill, there will be millions of acres of land that will not come under the soil bank; and that, in my opinion, would be very much to be deplored.

Mr. HOPE. I would like, of course, to see as much land go into the soil bank as possible. But the Department has followed two conflicting theories here, it seems to me, in setting up this provision for price supports on corn that is not within the program, and in establishing the soil bank. I doubt if they can be harmonized.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct; but we are faced with a fact accomplished, so to speak, whatever the term in law is, and we cannot help now through the enactment of this bill the fact that the Secretary of Agriculture has made this \$1.25 announcement on all the corn in the commercial which might be produced. I can produce 369 acres of corn on my farm and not have the opportunity to put a single acre of my feed grain land into the soil bank simply because this innocuous looking subsection 3 is in this bill.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. H. CARL ANDERSEN. Will not the gentleman take a couple of additional minutes?

Mr. HOPE. I do not think I should take any more time as I have requests for time from a number of Members.

(Mr. HOPE asked and was given permission to revise and extend, his remarks.)

The CHAIRMAN. The gentleman from Kansas has consumed 25 minutes.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, this is the best bill that can be brought to the floor of the House in view of the fact that the President of the United States has found objection particularly to title I and title V. Title I and title V are deleted from the provisions of this bill as it is before you today.

From October 1933 through February 29, 1956, on all agricultural products handled by Commodity Credit Corporation, which is the very last report dated February 29, 1956, the total losses are \$2,937,455,692.

Let me call your attention to the fact that on basic commodities the total losses were only \$560,763,769. While we are talking about basic crops, let us look at cotton. Cotton shows a profit of \$233,975,126; that is profit on cotton since the beginning of the operation of the CCC, a sizable gain. Cotton has helped to blot out some of the losses from other commodities.

Why do I give you that information? Because in June 1954, when the gentleman from Kansas [Mr. HOPE] was Chairman of the Committee on Agriculture, a Government subsidies historical review was undertaken by the House Committee on Agriculture. That report shows that the reconversion cost of business in the United States was \$40,787,864,000; yet you hear so much about the losses on the farmer's crops, that the farmer is the culprit. He has been reconverting, yes, but the business reconversion was at a cost of near \$41 billion.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield for a little additional information on that point?

Mr. GATHINGS. I yield gladly to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. A lot of people forget that since the close of World War II we have sent \$45 billion abroad to help other peoples.

Mr. GATHINGS. I appreciate the gentleman's contribution. I did not go into that subject. It is mighty good of you to bring that to the attention of the Committee.

Now let us look for a moment at the situation with respect to rice.

Since deleting title V the two-price theory on rice and the two-price plan for wheat have been thrown out. It is not in the bill. There was a freeze for 1957 on rice acreage in title V contained in the conference report on H. R. 12 that the House voted on and which overall bill was rejected by the President. There was a reason to freeze the rice acreage in 1957 as was carried in that "one package bill." That was because of the fact the total acreage of rice in 1954—that is the last year before controls were invoked—was 2,600,000 acres. In 1956 instead of 2,600,000 there were 1,600,000 acres allotted for 1956, a cut-back of approximately 1 million acres, some 38 percent, although I have not figured it out. The rice farmer cannot take an additional cut in 1957 and 1958.

It is hoped that in this legislation we can have a freeze written in similar to that provided for cotton. That is, the cotton acreage for 1957 and 1958 shall be the same as in 1956, as carried in the bill. I think that rice ought to also be included in the freeze which for 1957 alone was included in the conference report brought here and approved by both houses.

Let us look for a moment at the value of the production of cotton in 1955. The total value of the 1955 lint cotton—that is what was realized by the farmer—was \$2,420,529,000. Under the 82½ percent parity figure that the President recommended the value of the cotton crop would be reduced from \$2,420,529,000 to \$1,836,000,000. That means millions of dollars less income for cotton farmers. That is the one way we can get an increased income in the farmers' hands. By maintaining fair and stable prices for farm crops. These figures are on one commodity to which that great cut-back occurs. This reduces appreciably the income in some 14 States. This decreased value of lint cotton affects millions of people. This Congress can do something about it, that would be to increase the 82½ percent support level on cotton. We speak of helping the farmer by passing legislation. This will do it.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

(Mr. CHIPERFIELD asked and was given permission to revise and extend his remarks.)

Mr. CHIPERFIELD. Mr. Chairman, while I intend to support this measure I feel the bill I introduced, H. R. 10657, has some features that would accomplish more for the farmer than the bill now under consideration.

I feel it is imperative that this Congress enact a soil-bank program immediately and as I have said, for that reason I am supporting it. However, my bill would not only establish a soil-bank program as does this pending measure, but provides better control over diverted acres.

Under my bill in order for a farmer to be eligible for price supports he must put a percentage of his cropland in the soil bank. This would have the effect of putting acreage into a soil bank which in the past has been taken out of price supported crops and dumped onto producers of other crops and in the main feed grains.

As a matter of fact in the years 1954 and 1955 there was the equivalent of 800 million bushels of corn produced on acreage that was taken out of wheat and cotton. My bill is designed to put real controls on diverted acres. To my mind this is of vast importance and benefit to the farmers in the corn-hog area of the Middle West.

There is no question but what we must deal immediately with the surplus problem facing agriculture. The soil-bank approach which the farmers of Illinois have had a great part in developing is sound and I think would be of real assistance in solving the problems of surpluses.

It is my understanding, although I have no official approval, that the Farm Bureau is backing legislation containing provisions similar to those in my bill and I had hoped such a measure would be adopted.

But it is evident after considerable consideration by the Agriculture Committee that the bill before us is the only one that has a possibility of passing. I certainly want to do everything I can to aid the farmers and feel this bill is an important step in the right direction.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, every one of us who is interested in agriculture, regardless of where he may be from, has an interest in this legislation. Many of us come from areas where basic commodities are not the principal items of production. We are all interested in a sound agriculture and we recognize that in this day and age everything that is done in one particular area has a direct or an indirect effect in other areas.

Those outside of the basic commodity-producing areas have been very much interested in the problem of diverted acres and those of us who come from areas which consume a great deal of manufactured feeds are, of course, interested in the level of supports in relation to the ingredients of those feeds.

In H. R. 12, it is interesting to note that in my State of Maine the bill would have increased the dairy income about \$100,000 and would have increased the feed costs to those same dairymen \$5 million per year. I want to point out that we all have an interest in this legislation.

This bill which we have before us will increase the feed costs some in every area which is dependent on other areas which produce the ingredients of that feed. However, this bill would increase those costs somewhat less than H. R. 12, and we have an interest in shaping up constructive legislation, so we will seek for the best balance which can be obtained in any legislation presented to the House.

I wish to agree with our colleague the gentleman from Illinois [Mr. SPRINGER] in his statement that in his opinion the soil bank is an approach somewhat different than past legislation in this relationship of the management of acres to the Government's interest in the total picture. I think that it approaches this problem of seeking this appropriate balance in a constructive manner. It deals also with the problem of developing a vehicle to handle the inventories in the hands of the Government in a manner in which they can be decreased in quantity. It does not deal, however, with the problem confronting the farmer who is handling a surplus situation resting in his own hands.

The act of 1949 has 3 titles in it, 1 of which deals with the support vehicle on the so-called basic commodities. Title II deals with the support vehicle on the nonbasics but requires mandatory support on the part of the Secretary. Title III deals with the remaining portion of the commodities and leaves it discretionary with the Secretary as to the level of supports, if any, which shall be maintained.

Now, in this group of commodities in title III among those which are being supported are flax, soybeans, dried beans, oats, barley, and grain sorghums. There may be a few others, but those are the essential ones. Now, this bill provides that oats, barley, and grain sorghums may be brought into the framework and participate in both the acreage reserve and the conservation reserve features of the bill. True, all commodities come within the framework of the conservation reserve, but the point I wish to make is that we are entering into this title III area and including commodities for participation in the acreage reserve which are neither in title I, the basics, nor in title II, the mandatory support group.

I offered an amendment in the Committee on Agriculture which I thought was a constructive one which would permit the Secretary of Agriculture to bring in, at his discretion, other commodities which may be in surplus and permitting the use of this vehicle of acreage reserve for other producers than those who are in the basic commodity group or those who are being supported by the vehicle of price support levels, and permit other producers to have the privilege of this same tool of bringing their acreage into balance with needs. However, that amendment was defeated in the committee. It is my sincere belief these growers are entitled to more equitable consideration in this legislation.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

[Mr. ABERNETHY addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. ABERNETHY asked and was given permission to revise and extend his remarks.)

Mr. HILL. Mr. Chairman, I yield 12 minutes to the gentleman from Indiana [Mr. HARVEY].

(Mr. HARVEY asked and was given permission to revise and extend his remarks.)

Mr. HARVEY. Mr. Chairman, I have listened to the debate with much interest.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. YATES. Will the gentleman, coming from the Corn Belt, answer the question which I asked the gentleman from Mississippi? If the Department of Agriculture establishes a price of \$1.25 a bushel, will that be an incentive or a detriment for the corn farmers to use the soil bank?

Mr. HARVEY. If the gentleman will pardon me, I will attempt to cover that during the course of my remarks.

Mr. Chairman, this whole farm situation has been moving along rather rapidly. In fact, so fast recently that I found it difficult keeping up with it. I will say quite frankly, from a very discouraging situation a few days ago, I have been tremendously impressed with the willingness on the part of nearly everyone to get together on a version of the farm bill which will do the job and a farm bill that we can all live with. There are so many factors and factions involved and so many cross-currents of thinking and public opinion as between the different geographical sections and between the different segments of our economy, producers and consumers, that I have a tremendous respect for the leaders on both sides of the aisle who have been able to bring about this final draft. I think it will get pretty wide acceptance when we vote on it tomorrow.

Mr. Chairman, I want to address myself briefly in the time I have here to the subject of one commodity—corn, which has received a great deal of discussion. I have been intrigued with some of the theories that have been advanced concerning corn. You see there are two types of producers of corn. This is a fact that is not very often recognized. There is the cash corn grower and the grower who produces corn for his livestock feed. The producer of corn for cash is usually in a geographical area—mostly northwestern Indiana, certain sections across Illinois and Iowa. In these areas, corn is produced as a cash crop just as wheat would be produced, and it goes into the channels of trade for all the various commercial uses that corn finds. The other 80 percent of the corn growers are on farms where it is fed to livestock. The farmers who have been complying with the corn acreage reduction and securing the benefit of the price-support program are the ones in the cash corn area. It fitted into their scheme of farming. It did not fit into the scheme of farming for the livestock man. But during the past 3 years there has been no change in the corn acreage. During that time the price-support program has been in effect. This past year, 1955, the yield of corn was just about average, a little over 3 billion bushels, total. Since the 1938 act was passed, corn and livestock have been in pretty good balance. With a good easy program to administer, livestock prices stayed in relative even balance. Then what happened? A whole variety of

things. I will not dwell on them, but we had coming into the picture the supplemental feed grains in a proportion that had never happened before. They all went into the feed grain pool. The chief increase in production came from grain sorghum, and we had a lot of production. In fact, the increased production attained about 25 percent of the total production of corn today. So we find ourselves confronted with a situation that is not really created in the Corn Belt, but it is here and must be dealt with.

It is also common knowledge that many of these acres that are just recently being devoted to these so-called supplemental feed grains are marginal acres that we hope will be taken out by the soil bank. So this provision in section 308 (d) is designed to encourage these marginal acres that are presently being devoted to production of supplemental feed grains to go into the soil bank. I cannot emphasize this too much. I am going to say that as a midwestern corn farmer, the general sentiment of the farmers in my area would be to ignore and not recognize the entrance of these supplemental feed grains into the picture. They prefer to ignore them in the hope that they will go away. I do not think they will. They are here and they must be recognized. This recent increase of feed grain is producing the greatest amount of meat that the public has ever consumed. The public is using it. Beef consumption is running at the rate of 80 pounds per person per year, pork in recent months almost as high. The sum total of the other supplemental products that come from livestock means that the American people have never in their history consumed so much good food of a protein nature. So it is all a part of the constantly changing and developing economic pattern. As our standard of living increases so the standard of food requirement increases, and not the least of these is the consumption of meat. I am not at all pessimistic about the present situation. But we do have a little surplus of feed grain, including corn.

The Secretary announced just recently that he would support the price of noncompliance corn at \$1.25, and immediately a great many comments were heard, and people, without thinking, in some instances concluded that there was some skulduggery going on. Actually, what the Secretary did was to say to these farmers who produce corn for feed purposes that he would support their corn at the same rate of parity at which he was also supporting the other supplemental feed grains. It is as simple as that.

It is, I think, equitable recognition of an economic fact, and no more. We cannot ignore the importance of bringing the whole feed grain pattern into a unified sort of treatment, and that is what this bill attempts to do, to treat equitably all of the producers in recognition of the actual facts of life so that we can continue to guarantee to the people of this country of ours a good supply at a decent price of that good food, meat.

In reply to the question raised by the gentleman from Mississippi [Mr. ABER-

NETHY] I want to say that I think this attempt to stabilize the price of feed grains will ultimately help stabilize the price of livestock, and if it does it will mean more in terms of dollars to the farmer than any other single thing. Sixty percent of the farm income of this country is from livestock. If you can stabilize that income you are automatically going to do a great deal for the farmers of this Nation.

I do not think this recent move or the provisions of this bill are going to bring upon us a surplus of feed grains. I think it is constructive support that will bring the feed grain supply into balance with requirements.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. SPRINGER. The gentleman will recall what he said in a certain conference when I asked him a question. He went into considerable detail. I want to compliment the gentleman on his excellent presentation of that particular matter, which I think has largely been misrepresented, because it is in the livestock and the hog market that it is important to get this matter stabilized; is not that true?

Mr. HARVEY. That is right. I thank the gentleman.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. JONES].

(Mr. JONES of Missouri asked and was given permission to revise and extend his remarks.)

Mr. JONES of Missouri. Mr. Chairman, I think there has been a lot of conjecture about certain features of this bill. I read from a publication that I think comes to everyone's desk, the Legislative Daily, in which it says that the administration continues to press for its soil bank brand of prepayments to farmers this year; and it goes on to say that that statement was made known yesterday by Representative HALLECK, House GOP floor leader, following the regular weekly meeting of Republican congressional leaders and President Eisenhower.

I think it is most unfortunate—and I hope it will not happen—that we are getting into the position of trying to make this a partisan bill because I do know that in our committee we have tried to give the President the thing that he seems most intent upon having enacted in this bill, and I know that some of us who are not impressed with the value of the soil bank have been willing to go along with the soil bank on a voluntary basis as long as we could have included some of the other features of the conference report which had been adopted by the House and by the other body and which, unfortunately, was vetoed by the President. We have tried to bring in here the things that were not criticized by the President and which we have reason to believe will be signed if adopted. I was pleased to hear the former distinguished chairman of our committee, the gentleman from Kansas [Mr. HOPE] say that he had hopes this bill would be adopted. I hoped that I interpreted his remarks correctly that he was supporting the bill, H. R.

10875, in its present form, a bill reported unanimously by our committee yesterday.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], one of the ranking Members on the Republican side, said that he thinks this is a fair bill but indicated he might favor an amendment. I find myself in this position as I listened to the gentleman from Illinois [Mr. SPRINGER] a few moments ago. He said it was not denied by anybody that the soil bank would not reduce the income of any farmer. That is a statement that might be accepted as it refers to the individual farmer, but I will say that at least in the area I have the privilege of representing, the total farm income would be reduced if we have the soil bank on a mandatory basis. I do not think it will affect us if it is put on a voluntary basis because I do not believe many people will go into it. If it were placed on a mandatory basis or if certain inducements were offered to the participants, I know the farm labor income would be reduced, as the gentleman from Mississippi [Mr. ABERNETHY] points out. The rural economy would be adversely affected. At the same time there may be some areas of the country in which the soil-bank proposition will work and for that reason I think many of us are willing to go along with it. What I hope we will not do here tomorrow is to try to force upon this House a soil-bank bill with nothing but the soil bank in it, because, frankly, I cannot support such a bill, and I know there are many people like myself. Particularly is that true, if it included a prepayment feature in the bill.

This bill as drawn would permit the payment of some funds this year when there is proof of compliance. Some people I think object to the wording of the provision section (b), page 11, where it is stated:

No compensation shall be paid.

Maybe they would like an affirmative statement that "compensation will be paid." I have no objection to paying the compensation where there is compliance this year on a crop grown this present year, but I have very strenuous objection to paying a man something this year for a service that will be performed next year. This would put the farmer in the position of having obtained money this year that he will not have earned until next year; then find himself next year in the position and having his income reduced by a comparable amount. I think he would be in a more distressing position than if he had not obtained any relief at all this year.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I have requested this time in order to express my sincere thanks to the Committee on Agriculture for including section 211, page 41, in the legislation we are now considering. I refer to the processing of donated food commodities, as provided in legislation sponsored by the distinguished gentleman from Virginia [Mr. JENNINGS], a member of the committee.

You will recall that a group of Congressman residing largely in the coal-producing areas spent about 3 years getting the Committee on Agriculture interested in processing flour and wheat for distribution to the hungry people in the critical unemployment areas of the United States. This is the first recognition that the committee has made of this legislation on a permanent basis. I think their action will be favorably received by a large group of the Members of the Congress like myself who appreciate the fact that we are supplying a few more surplus foods to these hungry people.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, this bill was reported out of our Committee on Agriculture, and it was my understanding at the time it was reported out that there would be perfecting amendments offered to section 308 (d). It was my understanding that section 308 (d) was not approved as drafted but would be perfected by a committee amendment. I would like to ask the distinguished gentleman from Kansas [Mr. HOPE] whether under the provisions as included on page 50 of this bill, the support level of feed grains expressed in terms of cash costs will not be increased by approximately 11 percent. It is my understanding that under H. R. 12 as it passed the House the supports were raised from 70 to 85 percent or an increase in cash value of about 21 percent because of the corn support level established in that bill and also because of the dual parity provision included in that bill. As I understand this bill, the increase has been changed from about 21 to around 11 percent. Is that correct?

Mr. HOPE. It is rather difficult for anybody to say how much the actual feed costs to the purchasers of feed might be increased by using percentage points.

Of course, costs that are paid by the consumer of feed grains may or may not be in the same proportion as the price support program might increase the loans that could be secured by the producers of those grains. The gentleman is going on the assumption, I take it, that whatever the price support on feed grains may be there will be an equal increase in the cost to the consumer of feed grains. That is the assumption he is going on?

Mr. LAIRD. Yes. I think perhaps the increase could have been greater under H. R. 12 if a lot of the land was placed in the soil bank, but we cannot estimate how much land will actually be placed in the soil bank. For that reason I used the 20 percent figure as a conservative estimate.

Mr. HOPE. Going on that assumption—I do not say that it is a valid assumption, but if you go on that assumption at the present time and in the present bill the increase that would take place in the price of feed grains would be considerably less than in the bill that was originally passed by the House and the Senate. That is for two reasons. One reason is that in that bill there was a provision for dual parity which would have increased the support price on corn, and the support price on the other feed

grains is directly tied in with the price of corn. At the present time, with the bill vetoed and no dual parity provision in this bill, if the bill were passed, corn would be on a transitional parity or 5 percent less than it would have been under the dual parity provision. In addition to that, the provisions in this bill provide that in the case of the small grains, for grains other than corn, the support price will be at a percentage of parity which is 5 percentage points less than the support price announced on corn. The support price announced on corn is 86 percent instead of 90 percent, so that the support price, according to the terms of this bill, on the other feed grains would be 81 percent rather than 85 percent, as would have been the case if H. R. 12 had become law. Does that answer the gentleman's question?

Mr. LAIRD. Yes.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Indiana.

Mr. HARVEY. I think it is worthy to note here that the final price level at which the Secretary has fixed compliance for corn is less than it was last year, and since actually most of the other feed grains have a tendency in their price level to gravitate around the price of corn, that it is a safe assumption that the price of feed grain in the gentleman's area, which is a grain-deficit area, will be less than it was last year.

Mr. LAIRD. I am glad the gentleman understands my concern over H. R. 12. This makes a great deal of difference to the Wisconsin farmer. Most people realize the State of Wisconsin is a feed-deficit area. Our farmers purchased last year \$130 million of feed. The increased feed cost support provided in H. R. 12 as it passed the House was estimated at a 20 percent increase, and the only 2.5 percent on milk supports was not realistic or equitable to the family type dairy farmer. Everyone realizes that feed grains have a great bearing on seed costs and other farm costs which are of major importance in grassland farming.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON from Wisconsin. Mr. Chairman, I want to correct the statement made by the gentleman from Wisconsin [Mr. LAIRD]. He is assuming that our Wisconsin farmers are buying all oats, corn, and barley to feed their dairy cows, livestock, hogs, and poultry. I think it is a known fact that Wisconsin farmers buy high protein concentrates to mix with their home grown corn, oats, and barley. Only a small percentage of the corn, oats, and barley is bought from sources outside of Wisconsin, and this represents a very small percentage of the \$130 million feed bill.

It is also an established fact—as I pointed out to the House on April 23—that Wisconsin farmers raise 90 percent of the corn, oats, and barley that they mix with high protein concentrates. Corn may influence the price of oats and barley, but the price of concentrates is based on the supply and demand of the ingredients used in compounding con-

centrates. I talked with a feed dealer in my district just the other day and he tells me that in the last 5 years he has bought no corn and oats outside of the State of Wisconsin. In fact, he says that the farmers in his area have learned to buy fertilizer and they can raise all the corn and oats that they need.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman.

Mr. LAIRD. I am afraid the gentleman misrepresents my statement as well as the facts. Students of markets who follow the market structure for the protein meals, mill feeds, and tankage know that as prices of feed grains go up the price of these basic protein feeds will also move up correspondingly, sometime even more rapidly. If the gentleman from the Ninth District of Wisconsin wants the facts I will be very happy to show him the record on feed cost history at any time.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, I do not care to discuss the merits of this bill we have before us other than to say this. I feel this bill is the half loaf. We passed a good bill here a couple of weeks ago and the President saw fit to veto it, so we have had to come back now with just half a loaf for the farmer.

I would like to say this, that this idea of prepayment that the Republican Administration has come up with is the most preposterous idea I have ever heard in my life. I do not believe the American farmer is stupid enough to buy such a political scheme. It is believed that it will cost \$1.2 billion to carry out the provisions of the soil bank. So they are coming before the Congress tomorrow I understand with an amendment asking this Congress to authorize the payment of \$600 million of the taxpayers' money to buy farm votes next year.

This soil bank is earth; it is dirt. In my opinion, if this idea goes across, if we allow \$600 million of the taxpayers' money to be spent in advance payments for something that we do not know whether they are going to comply with or not—I suppose all they will have to do is sign a certificate that they are going to vote for Ike next year and get their money—then I say to you that I think it is a scheme of dirty dollars.

Mr. POAGE. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I should like to address myself to an item that was considered on page 50 of the conference report on H. R. 12. Members will recall that in the bill passed by the other body there was a provision in regard to an export program on cotton. The conferees took this language out of the bill and substituted, as I understand it, a paragraph on page 50 of the conference report on H. R. 12, stating that the Commodity Credit Corporation and the Secretary of Agriculture had the right to carry out this program, that it was being engaged in successfully.

I note that the report of this bill before us today does not have similar language as was contained in the conference report on H. R. 12. My assumption, however, is that the Committee on Agriculture still understood that the Agriculture Department would carry on this export program under existing authority, and that it was believed in the committee that 5 million bales of cotton would be exported in the current year and at least this much in future years, according to the pronouncement made by the Secretary, and according to the very successful start that has been made on the export program so far. I would appreciate it if the gentleman from North Carolina would give me the opinion of the committee in regard to this.

Mr. COOLEY. I can give the gentleman my own opinion about it.

You will recall that during all of last year Members of Congress were conferring with the Secretary of Agriculture, and many of them were urging him to embark upon an export-subsidy program for cotton. You also recall that they had a big conference at the White House. I had maintained all along, and I maintained at the White House conference, that the Secretary of Agriculture admitted or contended that he had all the authority he needed to initiate and to prosecute an export-subsidy program on cotton. He did not start an export program on cotton last year. I have contended that as a result of his failure to have a positive program for cotton we probably lost 3 million bales of cotton in the export markets.

He announced last fall that in January he would start a program and would announce it. He did announce it, and I understand that within about 40 days he disposed of about 1 million bales. I have every reason to believe that the Secretary will go forward with the program in which the gentleman from Mississippi has been so greatly interested. I hope that he will prosecute it vigorously and that we will be able to dispose of some of this surplus cotton. But unfortunately Secretary Benson has now postponed the decision until August, so he has already ended one phase of the export-subsidy program and has said that we will have another one when the month of August comes around. Is that the gentleman's understanding of what the situation is, may I ask the gentleman from Kansas?

Mr. HOPE. Yes; in general. As I understood the gentleman from Mississippi, he was inquiring as to what possible considerations were taken into account by the conferees in deleting some language in the Senate bill relating to the disposal of cotton surpluses. In that connection, I am glad to see that my recollection is substantially as the gentleman from North Carolina has related, that we understood and were assured that the Secretary of Agriculture had that authority already and it was unnecessary to give him additional authority.

Mr. COOLEY. The difference involved here is whether or not Congress would direct him to use the power, making it mandatory upon him to do so, or

whether we would use the language we used in this report and recognize the fact that he was going forward with the program and that it was operating successfully.

Mr. HOPE. That is my recollection of the discussion that went on at that time.

Mr. BAILEY. If the gentleman will yield, I should like to make an inquiry of the distinguished chairman of the Committee on Agriculture. Under the cotton-export program, should we approve H. R. 5550, to take us into the General Agreement on Tariffs and Trade, and article XI of that agreement is a negation against the setting up of export subsidies or any other kind of subsidies and the fixing of quotas, will it be necessary for us to go to Geneva to get permission to pay subsidies?

Mr. COOLEY. It certainly will not be necessary for me to go to Geneva or to do anything about it, but I do not think that matter is before us at the moment. Unless we subsidize exports or give them away, it is going to be difficult to do anything about the surplus problem we have.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. HARRISON].

(Mr. HARRISON of Nebraska asked and was given permission to revise and extend his remarks.)

Mr. HARRISON of Nebraska. Mr. Chairman, I want to associate myself with those Members who have said that the soil bank is the answer to our burdensome surpluses as of today. However, in legislating for this particular soil-bank program, I want to make sure our language in the program is understood. I hope the chairman will listen because I have a couple of sentences here which I think we need to tie down to make sure the people we are trying to legislate for do not have loopholes through which they can do more than was intended by the law. As you know, in trying to legislate against any particular group, there is always that group that is looking for a loophole so that they can defeat the purpose of the legislation. My first question to the gentleman from Kansas [Mr. HOPE] is this. I refer to page 4, line 7. Does this language, "To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage" mean that a producer must underplant his allotment? If it is not on a planted basis, vast sums of money would be paid out for doing nothing. In the dry areas, a producer could plant his entire acreage and then if for some reason a poor yield developed, not harvest it and claim an acreage reserve payment. This would be a gross abuse of public funds.

Mr. HOPE. Yes, I think that is very clear. That is it means that he must underplant either his allotment or his base acreage in the case of corn or other feed grains. The term "base acreage" applies to corn and other feed grains and the term "allotment" applies to other basic commodities.

Mr. HARRISON of Nebraska. If that is what the language means, I think we have nothing to fear. However, it is possible that he could plant his acreage

and something might happen and he was not allotted any particular acreage, he might take his whole farm out of production.

Mr. HOPE. Of course, the acreage reserve applies only to commodities upon which there is an allotted acreage, so that in the case of any other commodities, he would have to come in under the conservation reserve rather than the acreage reserve.

Mr. HARRISON of Nebraska. I think that clears that up. Is it your understanding or intention that he must underplant in order to get his payment?

Mr. HOPE. In order to get the benefit of the acreage-reserve payments.

Mr. HARRISON of Nebraska. That is right.

Section 105 (a) deserves special comment. I particularly refer to the next to the last sentence thereof which appears on page 11, beginning on line 11, and reads as follows:

The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year.

I feel reasonably sure that every Member of this House will agree that, as set forth in the declaration of policy in section 102, the purpose of the Soil Bank Act is to cut down on the production of excessive supplies of agricultural commodities which are depressing the prices and incomes of farm families. I am sure that no one would want this program to have the net effect of increasing production and further burdening an already overburdened market. There are vast acreages of land in the Great Plains area of the United States stretching from Canada almost to Mexico, which presently are being cropped continuously year after year. The total amount of production from these lands over a 2-year period could be increased if half of the lands were allowed to remain idle and catch moisture so that the following year when this land is devoted to the production of a crop, the effect would be to increase the yield. Certainly, it is not the intention of the Congress to pay out substantial funds for compensating a producer in 1 year to adopt practices which will considerably increase production the very next year.

There are also vast acreages in the humid area of the United States which do not contain the optimum amount of humus to retain moisture most effectively. The plowing down of green manure crops can greatly increase the amount of humus in the soil. Again, I am sure it is not the intention of Congress to so handle payments for a 1-year program that farmers will be paid for increasing production the next year. Accordingly, in order for the sentence to which I have referred to make sense, producers should be encouraged, as reflected in the rates of payment offered by the USDA, to enter into agreements for more than 1 year so that the acreage taken out of production will be withheld a sufficient length of time to make a real substantial contribution to help bring supplies into line with demand. A farmer who is willing to keep acreage out of production 3 years and thereby make a real

contribution to bringing supplies into line with demand, should be paid a higher rate of payment than one who holds his acreage out of production only 1 year and actually contributes to building up greater surpluses.

While \$750 million has been made available for the acreage reserve part of the soil bank and only \$450 million for the conservation reserve part, this should not be taken to mean that we consider the acreage reserve part of the program more important than the conservation reserve part. As a matter of fact, the conservation reserve program calling for the withholding from production for at least 3 years, is by far the more desirable of the two approaches if we want to cut down on surpluses and I am sure we all do.

The relief that farmers want and need is the removal of the surpluses and a sound program that does not encourage again the building up of additional price and income destroying surpluses. If this act is administered with this primary thought in mind, the program has a reasonable chance of success.

I would like to have either the chairman or the gentleman from Kansas [Mr. HOPE] comment on that.

Mr. COOLEY. If the gentleman is propounding a question to me, I would observe that I would not like to see this bill changed in any particular. I know there will be some efforts made to amend it, but the bill in its present form has weathered the storm in the House. It passed the Senate and it passed the House, and I do not think the President in his veto message pointed out any objections to the provisions that the gentleman has mentioned.

Mr. HARRISON of Nebraska. Does the gentleman feel there is any fear that we might run into a condition where we would increase production rather than decrease production by doing what we are doing in this particular area?

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. HARRISON] has expired.

Mr. HOPE. I yield the gentleman one additional minute. I did not understand his question.

Mr. HARRISON of Nebraska. Whether or not there is a possibility, because of the great area in the West between Canada and Mexico that is more or less of a semi-arid area which is planted year after year, if it came under this particular provision where they could take half of it out and still be within the acreage allotment, would it not have a tendency to produce more instead of less?

Mr. HOPE. I do not think that is a significant matter, because practically all of that acreage which is susceptible of being summer fallowed is being summer fallowed at this time. I do not think there will be any notable increase in the summer fallow acreage.

Mr. POAGE. Will the gentleman yield?

Mr. HARRISON of Nebraska. I yield.

Mr. POAGE. I think the summer fallow man might put the land in reserve, but his payments on that are only half as much as the payments to the

man who has been growing a crop every year. Consequently, the rental on that land is only about half as much as if it were in.

Mr. HOPE. I am sure that is correct.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. BEAMER].

(Mr. BEAMER asked and was granted permission to extend his remarks.)

Mr. BEAMER. Mr. Chairman, I want to support this measure.

Mr. Chairman, in considering H. R. 10875, a bill which is known as the Agriculture Act of 1956, it is well that a brief review of farm legislation be given.

In 1953, when the Republican administration was inaugurated, it inherited certain existing farm legislation which by statute would not expire until the end of 1955. Extensive hearings were held by the House Agriculture Committee throughout the United States during 1953 and, especially, after the adjournment of the Congress. As a result of these hearings and studies, in 1954 a bill embodying the principles of the flexible price support plan was presented to the Congress and approved by the House and the Senate. This bill could not become effective until the previous legislation expired at the end of 1955, or with the marketing of the 1955 crops which would be at the end of that calendar year.

In the meantime, surpluses of farm commodities continued to increase with a daily storage cost alone of more than \$1 million per day. These surpluses continued to depress prices of farm products as they had been doing since 1951.

In 1955 the Democrats regained control of the Congress with a majority in both the House and the Senate. This new 84th Congress in 1955 in the House of Representatives passed H. R. 12 that would restore high rigid price supports that had been the cause of the depressing situation—and even before the flexible program of the 83d Congress had an opportunity to become effective.

The Senate did not act on H. R. 12 in 1955.

Early in 1956, President Eisenhower sent his agricultural message to the Congress. This message outlined a 9-point program including the highly desirable soil-bank conservation measure. This one provision could have put \$1.2 billion into the farmers' income and, at the same time, would have reduced or eliminated the huge surpluses which had depressed the prices of farm commodities.

To become effective in 1956, early action was urged but the Senate Agriculture Committee delayed consideration and then prolonged action on these proposals.

Finally, when it reached the Senate floor some 30 days of debate—filibuster some people called it—ensued. H. R. 12 finally emerged from the Senate as an omnibus bill which included the desirable soil bank and other worthy features. However, it also included many objec-

tionable and depressing amendments which had been added to H. R. 12. In fact, many have said that it was a hodgepodge of contradictions—something like sowing thistles with wheat.

Then, the Easter recess delayed action in the House. However, the Senate and House conferees remained in Washington during the Easter recess to prepare a report. Four days after the return from the Easter recess, a vote was taken on the conference report. The first vote was on a recommittal motion to send the bill back to the conference committee with instructions to remove the objectionable features.

This recommittal motion failed. Those of us who voted for recommittal did so in the hope of securing an honest and nonpolitical approach to farm legislation. The bill then passed.

The question then was whether the worthwhile features outweighed the objectionable ones. President Eisenhower decided in the negative and vetoed the bill. Republicans and Democrats joined in sustaining his veto by an overwhelming majority.

The response from farmers and others connected with the farming situation supported the President's point of view. The status of this same legislation at that time meant that the farm legislation of 1954 could become effective. Its principles had been applied to the dairy industry where marked improvements quickly were made. Under this law, the President announced three immediate actions: First, price supports for wheat, corn, cotton, rice, and peanuts at not less than 82½ percent—this should insure wheat at \$2 per bushel and corn at \$1.50 per bushel; second, support price of manufacturing milk at \$3.25 per 100 pounds, and of butterfat at 58.6 cents per pound; third, more than \$400 million of Agricultural Department funds will be used to strengthen prices of perishable commodities.

However, as a conservationist, and as one who is keenly interested in the preservation of our national resources, I joined others who were hopeful that the present Congress would approve some soil-bank legislation. It is for this reason that I support H. R. 10875.

First of all, three provisions to which the President objected in H. R. 12 have been removed from the present bill. The first provision is 90 percent of parity price supports; second, alternate parity computations; and third, the domestic parity—two-price support—programs for wheat and rice.

The soil bank, in all fairness, should include some advance payments to the farmers because the Congress delayed action for such a long time that the provisions of the soil bank could not be applied to farming operations this spring. If the Congress is really interested in placing money into the pockets of the farmers in order to strengthen their economy then this would seem a most economical and fair method to employ.

The soil-bank program provides that none of the farmers' income should be reduced because certain acreage is removed from production.

There are numerous worthy features and among these I would like to suggest that the proposal to facilitate surplus disposal abroad and in this country is one of the most worthy aims. It is necessary that supply should be brought in line with demand. Once this is accomplished the farmer will not be plagued with the overproduction problem which has been encouraged during the past several years. It further is hoped that studies for the further utilization of farm products can be given the needed impetus.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I take this time to propound 2 or 3 questions concerning this bill to the gentleman from Kansas [Mr. HOPE].

Do I understand that under this bill corn and other feed grains are treated on a similar basis, so far as supports are concerned?

Mr. HOPE. Yes. Under this bill all feed grain, including corn, is treated as an entity. In other words, we recognize they are interchangeable as far as their use is concerned. So the contract that is being worked out in this bill for corn and other feed grains is similar.

Mr. REES of Kansas. What is the support price, percentagewise, on wheat at the present time, and is the support price affected under this bill?

Mr. HOPE. It is not covered by this bill, as a matter of fact. The gentleman will recall that the Secretary of Agriculture announced that the support price on wheat for 1956 would be 84 percent of parity.

Mr. REES of Kansas. So the support price of 84 percent of parity will prevail whether this legislation is approved or not?

Mr. HOPE. Yes. It will not be affected in any way by this legislation.

Mr. REES of Kansas. What is the situation with respect to corn?

Mr. HOPE. With respect to corn, the Secretary has announced a support price of 86 percent of parity.

Mr. REES of Kansas. And what is it with respect to dairy products?

Mr. HOPE. The Secretary announced an increase in price of 10 cents per hundredweight for commercial dairy products. If I am wrong about that I hope someone will correct me, but the Secretary did announce an increase in the case of commercial dairy products of 10 cents per hundredweight, and a small increase in the price of butterfat.

Mr. REES of Kansas. And that price would prevail irrespective of this legislation.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. POAGE. The support price on butter is 58.6 as announced by the President; and the support on manufactured milk is \$3.25 a hundred.

Mr. HOPE. That represents an increase in both cases.

Mr. POAGE. Yes; from \$3.15 to \$3.25; and from 56.2 to 58.6.

Mr. REES of Kansas. And do I understand that cotton is presently supported at 86 or 87 percent of parity.

Mr. POAGE. He cut cotton down to 82.5.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. COOLEY. I would just like to call attention to the fact that I think cotton is the only commodity that the President did not increase. He increased all the other support levels except with regard to cotton.

Mr. REES of Kansas. I was given to understand that the Secretary was expecting to support the level for cotton at about 86 or 87.5 percent.

Mr. COOLEY. That is exactly what we understood; that he gave assurances that he would do that if he could retain the flexible price support feature. After the President vetoed H. R. 12 instead of supporting cotton at 86 or 87.5 he lowered the boom on cotton down to 82.5.

Mr. REES of Kansas. And it is presently at 82.5?

Mr. COOLEY. Yes.

Mr. HOPE. If the gentleman from Kansas will yield, as the gentleman from Kansas now speaking understands it, the proposal of the Secretary was that, if the Senate would put certain provisions into the then pending bill, that the price support would be something like 86 or 87 percent of parity. One of those requirements was that the staple length upon which the price support was based be changed from seven-eighths of an inch to the average staple. That in itself makes a difference of 2 or 3 cents a pound, perhaps more than that.

The bill which was passed did not include that provision. That provision had not been put into effect. Price supports this year will be on the basis of seven-eighths length staple.

Therefore I think it is not fair to say that the Secretary made a proposal and then later backed away from it, because the proposal is not entirely incorporated in the legislation.

Mr. REES of Kansas. I was given to understand it was intended to be supported at 86 or 87.5 percent, provided certain requirements of the Department were complied with.

It would appear then that for the year of 1956 corn and other feed grains are supported at 86 percent of parity; wheat at 84 percent of parity; and cotton that meets requirements of the Department could be supported at 86 or 87½ percent of parity, otherwise 82½ percent.

It seems to me that, if announcements recently made concerning increases in support prices, were made several weeks ago, the controversy over farm prices would have been considerably lessened.

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. POAGE].

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. POAGE. Mr. Chairman, it has been very gratifying to see the serious effort that has been made this afternoon to try to secure farm legislation on which

we can get some kind of substantial agreement—an effort to bring out a bill which we can pass promptly and again bring something before the Nation that we hope may be of some help to the farmers.

This bill that I trust we will pass tomorrow morning does not do for agriculture what I had hoped this Congress would do. This bill is a far cry from the help that we on both sides of the aisle have talked about giving to our farmers, but I guess our farmers are pretty well accustomed to hearing officials of the Government talk about trying to help the farmer and then coming up with rather little.

I recall that they were told 4 years ago a great deal about what was going to happen if they voted for a certain great general. They voted for the general. He got in and they did not get 90 percent like they were led to believe. I am not going to quote anybody's statement, I am not going to show pictures or anything of that kind, I am not going to mention any town in either Minnesota or South Dakota, but I do not think there is a farmer in the United States who will not agree he was led to believe, and that it was intended that he should believe, he was going to get 90 percent if perchance he was able to elect the general President of the United States. He carried out his part of that contract, but he has not received 90 percent from that day to this and he is not going to get it under the terms of this bill.

I recognize that it seems futile for us to insist that the farmers of the United States should be treated at least nine-tenths as well as the rest of the people. I suppose that eight-tenths is about as good as the cotton farmer can expect. If he lived in a State where there was a reasonable chance that the general might carry the State again he might get 86 percent or something of that kind.

The price supports announced after the veto established an average of about 85 or 86, between 85 and 86 percent, for those who live in areas where there is some political doubt and where the higher price support might have some political implications. For those of us who live in areas where we have firmer political convictions, we are to be happy with 82½ percent. That is all we get out of the President's prostitution of Mr. Benson's conscience.

I had hoped that the Congress might see fit to accept the argument of the President as to why he said he needed some flexibility. He made an argument that had some appeal to me and I am sure some appeal to you when he said: "If you will let cotton, wheat and other commodities sell at a lower price in the world market more of them will move into the market and less into warehouses and we want to prevent an accumulation of surpluses." So I introduced a bill, in January of this year, that related only to cotton. I said, let the support price drop to 75 percent. That will make cotton move in the world market just as the President asked but it will give the farmer a return that will bring him his income from his cotton up to 90 percent. Just pay him the difference between the 75

percent and the 90 percent. You have all of the advantages then, of so-called flexibility, you have the advantage of letting your commodities move freely, you have the advantage of keeping your commodities out of the warehouses, but you would still maintain a living income for our farmers. But we were told that did not meet with the plans of the President.

So we now have a bill before us that says to all of the farmers of the United States, and particularly to the farmers of the deep South, you are not entitled to have nine-tenths of a fair return for your products, but something less. We were told, now, that will keep some of your commodities out of the warehouses and get them into the world market. So, again, I proposed a bill providing that we accept every support figure that the President of the United States announced—82½ percent on cotton, 84 percent on wheat, 86.2 for corn—accept them all, but let us just pay the farmers the difference between those figures and 90 percent of parity.

Mr. Chairman, immediately I heard a loud cry, and I saw in all of the newspapers the statement that this was the Brannan plan. Let us see if it is the Brannan plan. I think Mr. Brannan did talk about some features of such a plan. But Mr. Benson put it into law; Mr. Benson and the Republican Congress enacted it into law, and they are today paying 106 percent of parity to the producers of wool; they pay 98 percent of parity on sugar. Somehow or other, that is a sort of laudable undertaking, but if we attempt to do it for other people, that procedure is all wrong. I cannot understand that. As I grow older, I learn more and more about some of these things, and I think I now understand flexibility, but I still do not understand the morality of making direct payments to some producers if such payments are immoral when made to other producers.

Within the last 2 or 3 weeks I have come to understand that flexibility in price supports means that you can have extremely high supports in an election year and for the other 3 years you can flex them down. That is flexibility. It also means that there is geographic flexibility. It seems that the higher supports are to be used in those areas where they might secure some votes; you can flex them high in those regions of doubtful voting, and you can flex them low where you do not think you are going to get any votes. That, of course, saves the Government money, and that is a very smart idea, I am sure, but it is rather rough on cotton farmers. Yes, you could pay those whose support you hoped to win in advance. That might be part of flexibility, too, to allow you in election years to borrow from the years beyond and charge it to the nonelection years. I understand that that kind of flexibility may be suggested. Even the President of the United States was not smart enough to think that one up. It had to come, as I understand, from some of our colleagues here on the floor of the House and possibly will be presented to us in detail tomorrow.

Mr. Chairman, I want to bring these remarks to a head by pointing out that the legislation that I proposed day before yesterday, and which I proposed before the Committee on Agriculture as late as yesterday, did make provision to pay the farmer enough direct payment to bring his income up to 90 percent. It did not interfere with what the President said was his principle of not supporting commodities at 90 percent, because I want him to enjoy his principles. I do not want to ask any man to give up his principles. But he said it was a matter of principle that we should not put these commodities in the warehouse at a high price. So we suggest they move into the market at exactly the figure at which he said they should be supported. Then we suggested, as a matter of principle, our principle that the farmer be paid enough to give him at least nine-tenths of a livelihood, but somebody found out that the President's principles objected to giving the farmer as much as nine-tenths of a fair income. So if we cannot get nine-tenths of a fair income for the farmer, it is my feeling that we must go along and get all that we can. This bill will give the farmer something. It will save some scraps. It will let the farmer at least come in to the banquet table and, like the dogs of old, to creep down under the table and pick up the scraps that are dropped. Well, I would rather the farmer have the scraps from the rich man's table than nothing at all, and that is about what this bill gives him. Rather than deny him even those scraps, I am going along tomorrow with what I hope is an overwhelming majority of the House to try to pick up those few minor things that are of importance to farmers over the country. There are a whole lot of things in this bill that are good. It is undoubtedly the best bill we can pass and hope that the President will approve. But the great big thing that is of major importance to the farmers and to city people, that is, the maintenance of farm income, simply is not in here. It is not here, and I am sure that, in spite of all that was said in 1952, it is not going to be put in here. I regret that that is the disposition of such a large group of the membership of the House and of their leadership downtown. I had hoped that the membership would be willing to use our own judgment and make our own decisions, which would have been far more favorable to farmers; but since it is apparent that we must accept the judgment of the Executive, I can only urge that we pass this bill and thereby secure what we can get at this time, and hope that in a bright new year we may be able to again make a first-class citizen of our farmer.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Agricultural Act of 1956."

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956, had come to no resolution thereon.

AMERICAN FRIENDSHIP BEYOND PRICE

(Mr. Lecompte asked and was given permission to extend his remarks at this point in the Record and to include a short editorial and a short news story.)

Mr. Lecompte. Mr. Speaker, a few days ago I made a speech on the floor of the House regarding an address by Ambassador Carlos Romulo on the occasion of the Bataan Day dinner commemoration at the Mayflower Hotel. The Washington Post of April 14 carried an editorial under the heading "Philippine Bond" which is particularly timely and I commend its reading to the Members of the House. The editorial dealt with some of the criticisms on both sides in our relations with the Filipinos and, in urging the importance of removing causes of mutual irritation, emphasized the continuing mutuality of the friendship of our peoples.

We have spent approximately \$2 billion in aid for the Philippines. This is but a token of the fact that we look upon our Filipino allies as staunch partners in the free world's struggle to remain free. Actually, every dollar that we spend in the Far East to help the peoples of that area remain free is money spent indirectly for the benefit of the Philippines as well as ourselves. As a member of the Committee on Foreign Affairs which has considered much of the legislation affecting projects for the Philippines, I was particularly happy that the nuclear research center will be located in Manila. Because of our strong friendship for the Filipinos and the particularly close and friendly relationship between our peoples, the choice of Manila was, I am convinced, an auspicious and extremely wise one. Location of the nuclear research center in Manila is another evidence of the confidence and admiration we have for the Filipino people.

Americans will never forget the heroism of the Filipinos who fought and died during the war. Both our countries are fortunate at this time in having Gen. Carlos Romulo as Ambassador of his great people in Washington. I recall that Americans regard for this distinguished public servant has been shown in the award of the Silver Star, the Purple Heart, and the Legion of Merit, Order of Commander. I am making this statement today because I wish to tell the Filipino people that we have an abiding admiration for what they did in Bataan, which is something that is enshrined in every American heart. Their sending of troops to Korea is another proof of their loyalty to democratic ideals. They are indeed fortunate in having as president a leader of the stature of President Mag-saysay whose outstanding efforts against communism have won the respect of the

freedom-loving world. The criticisms and irritations referred to in the Washington Post editorial relate to questions which can and will be settled by goodwill and understanding between the representatives of our governments. As the Post editorial says:

It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances.

Filipino loyalty has been tested in the crucible of war and peace. Our own actions have furnished proof to the Filipinos of our lasting friendship and interest in their well-being.

With the permission of the House I will insert first, the editorial of the Washington Post; and, second, an article written by an ace reporter of the International News Service, Mr. Herb Gordon, one of the most distinguished correspondents in this capital city where he relates in a dispatch with his byline and sent to more than 800 INS subscribing newspapers all over the world how the Bataan Day dinner commemoration was made the focal center for an important message from our Filipino friends.

[From the Washington Post of April 14, 1956]

PHILIPPINE BOND

Ambassador Carlos Romulo did a service to Philippine-American relations in his Bataan Day speech by noting that recent Filipino criticism of the United States has not stemmed wholly from politics. It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances. What is important is to remove the cause of irritation wherever possible.

There is some substance to the Filipino complaint, for example, that a portion of the items sent as American military aid is obsolete. Perhaps without adequately explaining our policy we have allowed the impression to arise that we are pawning off old stuff for which we no longer manufacture spare parts. The unsettled legal status of American bases in the Philippines is a source of friction that, despite the problems involved in bargaining, ought to be clarified. Probably some of the attacks on American aid represent efforts by critics to frustrate President Magsaysay's land-reform program which we have supported vigorously; we can be proud of our role on this point. But there is obviously ground for Filipino alarm at the ill-advised threat of an American Congressman to restrict Philippine sugar quotas because of import restrictions on Virginia tobacco.

Allies, even in the family relationship that has existed between the United States and the Philippines, can never afford to take each other for granted. Some exploitation of American aid in political harangues probably is inevitable; in the main American assistance to the Philippines has been generous and enlightened as in the plan for an atomic-reactor center. But it is well to take to heart the gentle warning by General Romulo: "I suppose it is a natural human impulse to pay closest attention to those who waver rather than to those you trust; to give greater help to the uncertain—the neutralists, if you will—than to the committed. . . . It is not a device of Philippine politics to remind America of the continuing mutuality of our friendship." Undoubtedly the remedy is as much psychological as material.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed new farm bill.

HOUSE

1. FARM PROGRAM. Passed, 314 to 78, with amendments H. R. 10875, the new farm bill. pp. 6634, 6684, A3568.

Agreed to the following amendments:

By Rep. Poage, to authorize the Secretary to make price supports available to corn producers who do not comply with the requirements of acreage reserve at levels of price supports for producers who do comply with the requirements. pp. 6641-6

By Rep. Poage, to reduce the support level during 1956 - 1957 for corn outside the commercial area from 85% to 82½% of the support level for corn in the commercial area. p. 6646

By Rep. Albert, to provide for an acreage reserve plan for grazing lands for 1956 - 1959 and authorize compensation for grazing land in the program to \$50 million for any year, by a vote of 199 - 195. pp. 6646-6654, 6671.

By Rep. Cooley, to provide that a producer may be paid compensation for participation in the acreage reserve program in 1956, upon determination that he has complied with the requirement. pp. 6660-1

By Rep. Cooley, to provide that the Secretary shall submit a program of action on the acreage reserve program by Feb. 1, 1957 to the Congress (rather than Senate and House Appropriations Committees). p. 6661

By Rep. Abernethy, to provide that the 1956 crop of upland cotton shall be supported at not less than 84% of parity, by a vote of 168 - 152. (pp. 6661-2). The amendment was later rejected by a vote of 186 - 208. pp. 6672-3.

By Rep. Jennings, to provide that the President shall restrict, as far as practicable, the production of all agricultural commodities, on Federally owned land, which are in surplus supply. pp. 6662-3

By Rep. McIntire, to provide, in addition to the basic crops mentioned as eligible for participation in the acreage reserve program, such other field crops as the Secretary may designate; increase the total authorization for compensation to complying producers to \$800 million; and authorize \$50 million for compensation to such other crops as the Secretary may designate. pp. 6663-4

By Rep. Crumpacker, to provide the same regulations concerning alleged violations in both the acreage reserve program and the conservation-reserve program. p. 6664

Rejected the following amendments:

By Rep. Hope, to provide for advance payments to producers, not to exceed 50% of compensation which would become due them, for participation in the conservation-reserve program, by a vote of 157 to 181. pp. 6658-60

By Rep. Hays, (offered as substitute to the Hope amendment) to provide that all payments pursuant to the act in 1956 be reported as political expenditures. p. 6660

A motion to recommit the bill to the Agriculture Committee with instructions to provide for advance payments was rejected by a vote of 184 to 211.) p. 6673

2. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 10986, the Defense Department appropriation bill for 1957 (H. Rept. 2104). pp. 6634, 6700

3. FORESTRY. Rep. Laird spoke in support of H. R. 10794, to provide for an annual report to Congress on the administration of the National Forests, and commended the Forest Service for the progress made in forest management. p. 6675

4. PERSONNEL. The Post Office and Civil-Service Committee issued a report on Personnel Programs and Policies of the Federal Government in overseas operations (H. Rept. 2109). p. 6700

5. LEGISLATIVE PROGRAM. Rep. McCormack announced the following program for next week (May 7-11): Mon., Consent and Private calendars; Tues., the rural area library bill; and Wed., Thurs. and Fri., the Defense Department appropriation bill for 1957. p. 6634

6. ADJOURNED until Mon., May 7. pp. 6684, 6700

SENATE

7. ADJOURNED until Mon., May 7, out of respect to the memory of Sen. Barkley. p. 6628

ITEMS IN APPENDIX

8. FARM PROGRAM. Rep. Harden inserted a newspaper editorial commending the President's veto of the farm bill and stating that to have signed it would "have been a shabby act of political expediency." p. A3544

Extension of remarks of Rep. Jenkins in support of the new farm bill as a "constructive contribution for a solution to the farm problem." p. A3568

new look at their policy of force and now believe they can achieve the same goals by fakery and deceit.

It behooves us to recognize Soviet deception and to say to the freedom-loving peoples everywhere that we will not be fooled by empty words. Debunking the Stalin legacy of oppression does not create moral integrity in his successors.

Now is the time to renew our pledge to resist Communist aggression in whatever form it appears. Today is the day to say to our Polish brethren we have not forgotten—and we will not forget.

It was fitting that the beautiful prayer in the House of Representatives today was delivered by the Reverend Valerian S. Karcz, of Hobart, Ind., in commemoration of Polish independence and the cause of freedom in the world.

Mr. ASHLEY. Mr. Speaker, I deem it a privilege to share in the commemoration of the 165th anniversary of the Polish Constitution—and in free Poland's national holiday. It is most fitting that we of the Congress of the United States grant due recognition to the historic date of May 3, 1791, the date of the birth of democratic constitutional government in Poland.

The bond between freedom-loving peoples is a strong one, Mr. Speaker, and the United States and Poland have long shared this common bond.

It is well for us to remember that as early as 1347, Poland established the first complete code of laws of Christian Europe. In 1413, Poland and Lithuania executed an agreement proclaiming for the first time in history the brotherhood of nations. In the year 1430 Poland's law—2½ centuries before England's habeas corpus—guaranteed security of the person, and recognized and safeguarded religious liberties.

The entire civilized world owes a great debt to the generations of loyal and devoted Polish people, for they have enriched western civilization beyond measure.

Today, we witness Poland's struggle against the chains of communism which, by subterfuge, duplicity, and subversion, have been cast upon her by the Soviet Union. In the name of justice and with the help of God, we must rededicate ourselves to the eventual liberation of the peoples of Poland from the yoke of tyranny. To this end, all free peoples must be unequivocally committed.

Mr. ANFUSO. Mr. Speaker, on this day, May 3, I take this opportunity to salute the people of Polish descent on the occasion of the 165th anniversary of the Polish Constitution of 1791.

That famous document is one of Poland's great contributions to the development of the idea of human freedom. Not only is May 3, 1791, a memorable date in Poland's history, but it is also a landmark in the development of constitutional government. As such, the Polish Constitution is one of the outstanding documents of all times in the annals of human progress and democracy. It ranks with our own Declaration of Independence and with the Magna Carta. Poland was among the first nation to have a written democratic constitution seeking to establish

and preserve the concept of liberty for the people.

Yet through the years that followed, Poland has experienced one invasion after another, tyranny and oppression, but the spirit of the Polish people remains indomitable in the face of all this suffering. The desire for human rights and justice, for freedom and religious toleration, is stronger today than it has ever been in the history of mankind.

America, to which the citizens of Polish extraction have contributed so much toward its greatness, must continue to give hope and the fullest measure of moral and spiritual support in their hours of anguish over the fate that has befallen their ancestral land. Our sympathy and prayers go out to the people of Poland in their present tragic plight.

Unfortunately, the heroic Polish Nation is unable to speak for itself at this time. The Communist oppressor has stamped out every form of expression in Poland, except for blind loyalty to the slavemasters. Nevertheless, the will to resist the oppressor remains strong and the hope still lingers in the hearts of the people to become liberated at an early date.

We must do everything possible to strengthen that will on the part of the people in Poland and to encourage that hope in their hearts. On this anniversary, I extend my sincerest greetings and fondest hope that Poland will soon be liberated.

THE UNITED STATES HAS A MORAL OBLIGATION TO CONTINUE TO FIGHT FOR POLISH FREEDOM

Mr. DONOHUE. Mr. Speaker, on this Polish Constitution Day all Americans of every racial descent join with the people of Poland in a prayer for Polish independence and a renewed pledge to continue to work for the restoration of liberty and freedom to Poland and the rest of the enslaved Christian world.

No one who understands the great contribution to our own independence of the immortal Polish heroes of the Revolution or who has read of the glorious history of Poland in defense of Christian principles can help having tremendous admiration for the courage, patience, and fortitude of the Polish people in their current struggle to regain independence.

Heroic Poland gave us the best and most inspiring modern example of sacrifice for Christian principle in that terrible engagement with the Communists in 1920. The Polish people proved then to the world that they were among the very, very few who early recognized the planned and determined Kremlin objective of reducing the free world to pagan slavery. Would that we had wisely learned from their example and the recent years of too much appeasement and too often retreat, of developing world confusion and of increasing turmoil might well have been avoided.

The price the Polish people paid for their early courageous resistance to Communist attack was catastrophic and the blow was even more severe when it appeared that their supposed allies turned their backs upon and heads away

from their cruel plight under Soviet subjugation and tyranny. The debt the free world owes to heroic Poland for her courageous struggle against the Communist horde 36 years ago still remains unpaid and will remain as a blot upon the moral integrity of this country and the United Nations until it is paid.

That is why we as Americans must never relax our efforts to help the Polish people to reestablish their freedoms under their own chosen government. As a nation dedicated ourselves to the democratic principles of personal liberty and individual freedom, the United States Government has an obligation to unceasingly maintain the right of Poland to her independence and persevere, both as an individual nation and as a member of the United Nations, in demanding that the Communist leaders grant freedom and independence to Poland. We can do no less and still call ourselves a Christian democratic country while we join in prayer that the day will soon come when Poland, and all the other enslaved nations, will once again happily enjoy their personal and national freedom.

INTERNAL REVENUE CODE OF 1954

(Mr. CURTIS of Missouri asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CURTIS of Missouri. Mr. Speaker, today I have introduced a bill to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954. This is a companion bill to S. 3672, introduced by Senators CAPEHART and FREER. The purpose of this bill is to permit small business to be on an equal competitive basis with big business in the markets in the Western Hemisphere. On February 26, 1954, the Ways and Means Committee adopted unanimously a motion I made that the Treasury Department undertake a study of the taxation of Western Hemisphere trading corporations so as to eliminate the discrimination between the large and small countries conducting business in the Western Hemisphere.

In the Ways and Means Committee report on the Internal Revenue Code of 1954 with respect to the Western Hemisphere trade corporation, section 921, it is stated:

Although your committee believes that the present Western Hemisphere trade corporation provisions produce some anomalous results, it has retained those provisions in order to avoid any disturbance at the present time to established channels of trade. (H. Rept. No. 1337, 83d Cong., 2d sess., pp. 77, 78.)

The reason for this language in the committee report was based upon the testimony of the State Department officials who expressed concern that our South and Central American friends would misinterpret any amendment to the Western Hemisphere trading act, particularly as a conference of the Western Hemisphere countries was about to take place in Caracas, Venezuela. The only reason the Ways and Means Committee did not actually adopt an amendment to the Western Hemisphere provisions was to avoid any misunderstanding.

After the Caracas convention, it was reported that an informal understanding was reached with the other countries in the Western Hemisphere in regard to possible amendment of the Western Hemisphere trading act to eliminate these discrepancies and it was reported that these countries would have no objection to such amendments. It is my understanding that the Senate Finance Committee was prepared to go ahead to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954 along these lines but that a dispute arose over the drafting of the technical language to be used to accomplish the purpose. Since that date there have been many attempts made to provide proper language to eliminate these discrepancies against the smaller companies. The language of the bill I have introduced, which is a companion to S. 3672, appears to be language which will accomplish this objective. This matter has remained dormant all too long and I am very hopeful that this bill will be enacted into law.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order on Monday next for the Private Calendar to be called.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Ashley	Grant	Miller, Calif.
Barden	Gregory	Mollohan
Blich	Griffiths	Morrison
Bowler	Gubser	Nelson
Boykin	Haley	Norblad
Broyhill	Hayworth	O'Hara, Minn.
Burdick	Hoffman, Ill.	Passman
Byrd	Jenkins	Prouty
Carlyle	Johnson, Calif.	Rains
Chatham	Kearns	Simpson, Pa.
Cole	Lane	Staggers
Diggs	Lankford	Taylor
Donovan	McDowell	Utt
Eberhart	Matthews	Williams, N. Y.

The SPEAKER. Three hundred and ninety-three Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1957

Mr. MAHON, from the Committee on Appropriations, reported the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2104), which was read

a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 258):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ALBEN W. BARKLEY, late a Senator from the State of Kentucky and a former Vice President of the United States.

Resolved, That a committee be appointed by the President of the Senate, who shall be a member of the committee, to attend the funeral of the deceased Senator at Paducah, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

LEGISLATIVE PROGRAM FOR NEXT WEEK

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the majority leader if he can inform the House as to the program for the rest of this week and next week.

Mr. McCORMACK. The program for this week will be completion of the bill now pending before the House. When that is completed today I shall ask unanimous consent that the House adjourn over until Monday. That will complete the legislative program for the present week.

On Monday the Consent Calendar will be called. There are no suspensions. After call of the Consent Calendar, bills on the Private Calendar will be called, after which the following bills will be called up for consideration:

S. 2972, a bill out of the Judiciary Committee in relation to damage and destruction of aircraft.

House Joint Resolution 501, authorizing participation in the NATO Conference on a parliamentary level.

There are primaries on Monday in Maryland so that if there are any rollcalls demanded the rollcalls will go over until Wednesday.

On Tuesday the following bills will be considered:

H. R. 2040, the library bill for rural areas.

H. R. 8901, to create and establish a District of Columbia transportation system.

There are primaries in five States on Tuesday, so that any rollcalls on that day will go over until Wednesday. In other words, any rollcalls demanded on Monday and Tuesday because of primaries will go over until Wednesday.

On Wednesday, Thursday, Friday, and Saturday if necessary, the Defense Department appropriation bill for 1957 will be called up and considered.

There are the usual reservations that any further program will be announced later and conference reports may be brought up at any time.

1956 FARM BILL

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10875, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read section 101 of the bill. If there are no amendments to that section the Clerk will read.

The Clerk read as follows:

TITLE I—SOIL BANK ACT

Short title

SEC. 101. This title may be cited as the "Soil Bank Act."

Declaration of Policy

SEC. 102. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtakes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farmland for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest, and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and

marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

Substitute A—Acreage reserve program

Terms and Conditions

SEC. 103. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(1) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under

the contract, and to refund to the United States all payments and grants received by him thereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of 51 million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the 5 calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil-bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 308 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the 3 years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the 3 years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grain (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the 3 years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the 5 calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 percent thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the 5 calendar years immediately preceding the

calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the 3 years immediately preceding the year for which the apportionment is made (such farms are hereinafter called new feed grain farms). Producers shall not be eligible for compensation under the acreage reserve program for feed grains on new feed-grain farms. For purposes of this subsection, section 114, and section 308 (d) the terms "plant" or "planted," as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

Extent of Participation in Program

SEC. 104. For purposes of the acreage-reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 103 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

Compensation of producers

SEC. 105. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any 1 year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for

drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750 million, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, \$375 million; cotton, \$300 million; corn in the commercial corn-producing area, \$300 million; other feed grains, \$175 million; peanuts, \$7 million; rice \$23 million; and tobacco, \$45 million. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 104.

Effect on Acreage Allotments and Quotas

SEC. 106. (a) In the future establishment of State, county, and farm acreage, allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, 77th Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

Subtitle B—Conservation reserve program Terms and Conditions

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be

provided in the contract, except pursuant to the provisions of section 103 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation-reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation-reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes

of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity, within 30 days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such 30-day period, the determination of the State committee made in accordance with regulations of the Secretary shall be final and conclusive. If the producer within such 30-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceedings, shall submit a report, including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within 90 days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination within the 90-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Conservation Reserve Goal

SEC. 108. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carryover. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop-production regions of the country.

Authorized Period of Contracts and Expenditures

SEC. 109. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the 5-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed 10 years, except that contracts for the establishment of tree cover may extend for 15 years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of \$450 million in any calendar year.

Termination and Modification of Contracts

SEC. 110. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

Conservation Materials and Services

SEC. 111. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative-cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local Government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or

service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

Effect on Other Programs

SEC. 112. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this act.

Geographical Applicability

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Subtitle C—General provisions

Compliance With Acreage Allotments

SEC. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or 15 acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or 15 acres, whichever is larger.

Reapportionment Prohibited

SEC. 115. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

Certificate of claimant

SEC. 116. Subject to the provisions of section 105 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has

complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

Utilization of local and State committees

SEC. 117. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Utilization of other agencies

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State forests, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

Utilization of land use capability data

SEC. 119. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

Financing

SEC. 120. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

Finality of determinations

SEC. 121. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes in-

competent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

Protection of Tenants and Sharecroppers

SEC. 122. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

Penalty for Grazing or Harvesting

SEC. 123. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 103 or 107 shall be subject to a civil penalty equal to 50 percent of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

Regulations

SEC. 124. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

Production on Government Lands Prohibited

SEC. 125. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price-supported crops in surplus supply.

Pooling of Conservation Reserve Land

SEC. 126. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE II—SURPLUS DISPOSAL

Program of Orderly Liquidation

SEC. 201. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price-support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within 90 days after the enactment of this act detailed programs, with recommendations for any additional legislation needed to carry out such program, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribu-

tion through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

(1) the quantities of surplus commodities on hand;

(2) the methods of disposition utilized and the quantities disposed of during the preceding 12 months;

(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding 12 months;

(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and

(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

Extra-Long Staple Cotton

SEC. 202. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

Agreements Limiting Imports

SEC. 203. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended.

Appropriation To Supplement Section 32 Funds

SEC. 204. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500 million to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, 74th Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 percent

of such \$500 million may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

Transfer of Bartered Materials to Supplemental Stockpile

SEC. 205 (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), of for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

Surplus Disposal Administrator

SEC. 206. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

Payment of Ocean Freight

SEC. 207. The Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended."

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports."

(c) The first sentence of section 203 is amended to read as follows: "Not more than \$500 million (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

Commission To Recommend Legislation Providing for Increased Industrial Use of Agricultural Products

SEC. 208. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission").

The Commission shall be composed of 5 members, of whom not more than 3 shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Donation to Penal to Correctional Institutions

SEC. 209. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

Federal Irrigation, Drainage, and Flood-Control Projects

SEC. 210. (a) For a period of 3 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of 3 years from the date of enactment of this act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price support legislation.

(c) On or before October 1 of each year the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

Processing of Donated Food Commodities

SEC. 211. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence, as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment Provisions for Wheat Acreage Allotments

SEC. 301. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957."

Acreage Allotments for Cotton for 1957 and 1958

SEC. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

Cotton—Small Farm Allotments

SEC. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided, That there is hereby established a national acreage reserve consisting of 100,000 acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be 1,000 acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 percent of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such 3-year period."

(d) The first sentence of section 344 (f) (6) of such act is amended to read as follows: "Notwithstanding the provisions of

paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the 3 years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such 3-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 percent of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50-percent limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

Minimum State Acreage Allotments for 1956 Rice Crop

SEC. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 percent of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

Increase in Peanut Marketing Penalties

SEC. 305. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 percent of

the support price for peanuts for the marketing year (August 1-July 31)."

Collection of Peanut Marketing Penalties

SEC. 306. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding 2 new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States."

Preservation of Unused Acreage Allotments

SEC. 307. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"Preservation of Unused Acreage Allotments

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the 60th day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

Acreage Requirements for Price Support on Corn and Other Feed Grains

SEC. 308. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require, as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the

Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 percent of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 percent of the farm base acreage established for such feed grains under section 103 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percent of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

TITLE IV—FORESTRY PROVISIONS

Assistance to States for Tree Planting and Reforestation

SEC. 401. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than 50 million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying

out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided*, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as having been read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of asking the chairman of our committee, the gentleman from North Carolina [Mr. COOLEY], a question for the record.

In the original conference report on H. R. 12, there was a statement to the effect that since the conference recognized that the Department of Agriculture had the power to make the same differentials in the loans offered to cotton producers on the various types of spotted cotton, including specifically light spots and heavy spots as are customarily made by the trade that the Committee of the Conference did not attempt to write any language into that bill relative to making such differentials, but it was pointed out that the committee was aware of the past practice of the Commodity Credit Corporation of neglecting or refusing to make make such differentials, and that the committee was of the opinion that the Department should exercise this power. No reference is made in the bill presently before us to such differentials.

I wish that the chairman would tell us for the record if there were any intention on the part of the committee to recede from the position adopted by the committee on the conference that the Department of Agriculture should exercise the power it now has in this regard and make the same differential in loans on light spots and heavy spots that is made by the cotton trade.

Mr. COOLEY. Mr. Chairman, for the record, I want to state to the gentleman from Texas that no one can properly interpret this bill as in any wise receding from the position taken by the confer-

ence committee in regard to this matter of differentials on spotted cotton. On the contrary, by adopting the same words that were in the conference report, it is intended that the Department of Agriculture should understand that it is the wish of the Congress that such differentials be made.

Mr. KING of Pennsylvania. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KING of Pennsylvania. Mr. Chairman, I would like to pose a question to the chairman of our committee. When I vote against this bill, will that bar me from participating in the conservation reserve program?

Mr. COOLEY. I do not see how that could possibly affect the rights of the gentleman from Pennsylvania as a private citizen and as one of the great farmers of the country.

Mr. KING of Pennsylvania. I thank the gentleman.

I wanted to make sure of that point because when the all-bounteous Federal Government begins to pass the gravy, I want to get some.

I shall most surely vote against this bill for reasons which I think should be clear and dear to anyone who cherishes his personal liberty—to anyone who believes that free enterprise is an effective system in producing the most for all.

This soil-bank plan as a method of subsidy could be preferred to the price-support plan, but you must remember it is not here before us as a substitute for price support but an additional scheme to give more for doing nothing.

As a matter of fact, this bill contains provisions with regard to feed grains which constitute a definite expansion of the price-support program. It is quite necessary that we make this expansion because the price-support program on the six basics, operating without any restrictions on diverted acres, has so greatly distorted the production of feed gains that now they must be brought under price supports.

This is typical of the way socialism works. You cannot socialize one segment of agriculture, as we have with the six basic crops, without finding it necessary to proceed to socialize all of agriculture. In this bill, we take the first step to include all feed grains. Next year you will have to proceed to include all other crops.

As a matter of fact, the provision in this bill which enlarges section 32 funds by \$500 million is a step toward full coverage of agriculture. This half billion extra puts pressure on the Secretary of Agriculture to use Federal funds to rescue every little production group which happens to get in trouble by producing more than the market will take. I hope he doesn't forget the mid-summer production of cucumbers and broccili.

I am sure any of you who have listened to the debates on the farm program will agree with me that Government man-

agement of agriculture is a confused management. You need only listen to the differences of opinion held by the various crop representatives on our committee to realize that each year we pass to the administrative branch of our Government an unworkable program which has in its own specifications the defeat of its own purposes.

Now, we are proposing to add something like \$2 billion to the \$2 billion we have for some years been taking away from taxpayers, the whole sum to go to farmers as sustaining operating capital. All of this is done with the expressed intent of reducing production so as to bring it into sensible balance with the maximum market demands. All this is done without the least recognition of the fact that in agriculture one billion of operating capital will produce 5 billion in gross product.

Can it be that this Congress is naive enough to believe that this loading of farmers with operating capital will reduce the burdensome surpluses, or is this simply a compromise measure which has come out of the competition between both parties in bidding for the next election?

Some day those who submissively pay this bill will rise up and stop this nonsense.

Mr. POAGE. Mr. Chairman, I offer four amendments in series.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 49, line 4, change the period to a colon and add the following: "*Provided*, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price-support program."

Mr. POAGE. Mr. Chairman, may I explain to the House that this is but the first of a series of four amendments which, taken together, are expected to resolve most of our differences in regard to the corn and feed-grain sections of this bill? I, of course, want to make it perfectly plain that this very amendment does a thing that I thought was a mistake. I did not approve the President's action in supporting excess corn at \$1.25 per bushel, but we have to get the best kind of workable bill we can, and there has been a serious effort on both sides of the House to try to work out our difficulties, and this amendment is part of the complete program.

I want to express my appreciation to the members of my committee, particularly the gentleman from Iowa [Mr. HOEVEN], the gentleman from Indiana [Mr. HARVEY], the gentleman from South Dakota [Mr. LOVRE], and of course our former chairman, the gentleman from Kansas [Mr. HOPE], all of whom have worked with those of us on our side and with the leadership on both sides to try to work out some solution whereby we could find an answer to this difficult problem of feed grains and corn.

This, the first of these four amendments, simply assures that there will be no legal barrier to carrying out the price support of \$1.25 a bushel for noncompliance corn within the commercial Corn Belt that the President has already announced. I doubt that there is any legal barrier to it now, but in an effort to be abundantly sure it was felt by many of the Members that these extra words should be included.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this amendment set aside the order of the Secretary fixing noncompliance corn at a support price of \$1.25 a bushel?

Mr. POAGE. The amendment frankly was written by Members on the gentleman's side. It was presented to me with the understanding it would protect that action. It is my understanding it does do that. I wonder if the gentleman from Indiana could give us his understanding of that provision.

Mr. HALLECK. I am quite sure this proviso which the gentleman seeks to put in the bill makes it abundantly clear that there is no interference intended with the Executive order that has been made already fixing a support price for noncompliance corn in a commercial area at \$1.25 a bushel.

Mr. POAGE. It is my intention in offering it that it should do exactly that, even though I disagree with the basic philosophy of the order that was issued, but since it has been issued we are faced with a fact.

Mr. AUGUST H. ANDRESEN. Is it the intention of the gentleman that the order of \$1.25 a bushel for noncompliance corn in the commercial area will stand for 1956?

Mr. POAGE. That is right, along with the understanding of the next three amendments that we will make certain modifications in the feed grain provisions, and that with that we are all reasonably well satisfied.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I am delighted to yield to the gentleman.

Mr. HOPE. I simply want to take this occasion to express my appreciation and the appreciation, I am sure, of other members of the Committee on Agriculture on this side of the aisle for the great amount of work and the splendid work the gentleman has done in trying to work out a solution of this problem of corn and other feed grains. I am in hearty accord with the amendment which the gentleman has proposed although, like the gentleman himself, I am a little dubious about the policy. But, I do believe under the circumstances, we must reconcile the situation and so I am in favor of the amendment.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield for a further question?

Mr. POAGE. I yield.

Mr. REES of Kansas. As I understand it, a farmer can raise all the corn and the feed grains that he wants to and have a support price of \$1.25 a bushel.

Mr. POAGE. Provided he lives in the commercial corn area.

Mr. REES of Kansas. Yes, but suppose he complies—suppose he is in compliance—then, what would he get?

Mr. POAGE. He would get \$1.50 on corn and he will get on feed grains 5 parity points less than the support price of corn in the commercial corn area, if he complies. If he does not comply on feed grains, he gets 70 percent.

Mr. REES of Kansas. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. H. CARL ANDERSEN. I ask unanimous consent that the gentleman from Texas [Mr. POAGE] may proceed for an additional 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. H. CARL ANDERSEN. I certainly have no objection to what the gentleman proposes by the immediate amendment, but I would like to ask a question. Seemingly, that does validate the action of the Secretary in creating a \$1.25 guaranty on all corn produced regardless of the quota in the commercial corn area. As I brought up yesterday with reference to this particular question, on the one hand, due to the Secretary's order, which I approve of by the way because it means additional millions of dollars throughout the corn belt, we are told as corn farmers that we can produce all the corn we wish and are guaranteed \$1.25 a bushel for that production. But, now in the bill before us, the soil bank bill, and I refer to the bottom of page 23, we have an exception. We say to those same farmers, "Now, if you do just that—if you 'produce an acre above your allotment, your base acreage,' and I refer to line 7 on page 24, you are not entitled in any way to put any of your acreage under the soil bank bill." I am asking this question of the membership today and I might add that I can read that language with no different construction than that because it simply states "the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or." That is an exception. In other words, it says if that is in excess, the hundreds of thousands of corn farmers throughout America cannot put, what they would like to put under either portion of this act.

I sincerely hope that the House will see fit—and I am asking the gentleman from Texas [Mr. POAGE] at this time, if it would not be possible to do so, because of the existing circumstances to strike out section 3 on page 24, and thus make it permissible for these hundreds of thousands of corn farmers to put several million additional acres into the soil bank. Otherwise, I do not see where in our vast corn area we are going to do what we all want to do, and that is to get some of that land out of production. That is my personal opinion. As the gentleman knows, I have discussed this matter with him and other members of

the subcommittee, and they tell me I have nothing to fear in this regard, but I still read that language as it is, that it is an absolute prohibition against any man who plants an acre above his corn allotment to receive any payments out of title I in this bill.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Colorado.

Mr. HILL. I, as one member of the Committee on Agriculture, want to compliment the gentleman from Texas [Mr. POAGE] on the fine work he has done, but I would like to have him discuss how the Secretary of Agriculture comes to the conclusion as to what is noncommercial and what is commercial corn acreage. That would answer the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. If we do not understand the difference between commercial and noncommercial, I do not see that we can come to any conclusions.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

(By unanimous consent (at the request of Mr. HILL), Mr. POAGE was recognized for an additional 5 minutes.)

Mr. POAGE. Mr. Chairman, for fear that I may become enmeshed in a side shooting scrape, I want to make plain and before I go into details about what either the gentlemen are questioning me about, that in the first place I do not pose as an expert on corn. But we do have in these four amendments, taken together, a program that many of us believe, including a great many of those in whose judgment on the problems of corn I have much confidence, will reasonably solve both the corn and feed corn program. It is not what I want. It is not what the gentleman from Iowa [Mr. HOEVEN] wanted. It is not what the gentleman from Indiana [Mr. HALLECK] wanted. It is not what anyone wanted. But it is something on which most of us can agree—something which we hope will give us a well-rounded program. The question asked by the gentleman from Colorado [Mr. HILL] points up some possible question that is in the mind of a great many of us, and I must answer that before I proceed with the question asked by the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. The gentleman from Colorado said, "What is the difference between commercial and noncommercial corn areas?" Ever since we have had a farm program we have had a commercial and noncommercial area. The commercial corn area is that area in the United States in which corn is possibly the major crop, to the exclusion of all others. It includes those counties in those States only where corn is king, and where corn surpasses all other crops in importance. We made this distinction because basically in that commercial corn area you have a great feeding area, where people produce corn, as the gentleman from Indiana [Mr. HARVEY] explained yesterday, and many of them feed it on their own places. You find a situation different from that of the other man who is just selling corn.

In the noncommercial farm area, which includes the greatest part of the United States, but the smaller portion so far as the production of corn is concerned, we look upon corn as only one of the other crops along with oats, barley, cotton, wheat, and other types of crops. Basically your commercial corn area is what we know as the Corn Belt, the States of Indiana, Illinois, Iowa, parts of Missouri, and spilling over into some other States. In that area we support corn at a higher figure than in the noncommercial area. I do not say that I am for it, but the President has announced a support of \$1.25 per bushel for noncompliance corn within the last few days. This is an effort to try to protect that approach for the man who grows more corn than his acreage allotment allows in the Corn Belt.

The gentleman from Minnesota raises the question that if up in the Corn Belt you do not go into the soil bank you will not get the high supports on your corn, therefore he loses; but if he goes into the soil bank he gets the soil-bank payments.

At some point, whether rightly or wrongly, we in Congress felt that we should give some incentive to bring these corn people into the soil bank. Rather than work a hardship upon the people affected we said that instead of having only 43 million acres of allotted corn as we will have if we do not pass this bill, but if you pass this bill you will have 51 million acres of allotted corn in the United States. Fifty-one million represents a very substantial increase and it means that for the average man over the United States. It does not apply to the gentleman from Minnesota because he explained his own situation, and I may say it does not apply to many of his neighbors and friends, but for the average man over the United States that means a reduction of only about 8 percent in corn acreage, because we only planted about 56 million acres of commercial corn last year.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(On request of Mr. FULTON and by unanimous consent, Mr. POAGE was allowed to proceed for 3 additional minutes.)

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. FULTON. The gentleman has spoken of the land that is under allotment for greater production in your commercial area as 43 million for the current year, and it is to be increased under this bill to 51 million. The gentleman has commented that there was really an increase of the corn acreage of these corn farmers. There is not because from the 51 million will be taken 13 percent for the conservation reserve, the soil bank, and that will be 7,600,000 acres. So when you subtract that much from 51 million acres you are within a couple of hundred thousand acres of the 43 million which you have right now. I ask some expert here if that is not correct. Is that correct?

Mr. POAGE. Had the gentleman not interrupted me in the middle of a sentence he would have observed that I did not make the statement attributed to me. I did not say that it increased the individual's corn acreage; on the contrary I simply pointed out the facts of this bill. It would raise the total allotted acreage from 43 million to 51 million.

Mr. FULTON. But that does not take into consideration the conservation reserve program that will cut it right down to 43 million acres.

Mr. POAGE. Doubtless there would be some such result if 100 percent of the corn growers in the area were to participate in the soil bank, but that is something that is not going to happen, something that never has happened. But when they go into the soil bank they have their income taken care of under the payments in the agricultural reserve. In other words, the corn farmer is allowed to take in a greater income this coming year under this bill than he would if you do not pass this bill. That to me is the vitally important thing.

Mr. FULTON. The last question is this: Actually should not in the conference report something be brought up to take out this compulsory or mandatory provision in reference to price supports where corn in the commercial areas will get 81 percent of parity. It is really compulsory. For 43 million out of 57 million planted acres in these commercial areas it will be 81 percent.

Mr. POAGE. The farmer will get 86.2 percent in these commercial areas if he complies.

Mr. FULTON. In this report here it says they are going to get 81 percent. I will read from page 2:

It would cut down the acreage of feed grain and give producers support prices of approximately 81 percent of parity if they comply with the acreage reduction.

Mr. POAGE. The gentleman is talking about feed grains. He is not talking about corn. The President has given corn 86.2 if the man complies in the commercial Corn Belt. For noncommercial corn about 69 percent.

Mr. FULTON. But the point I am making is this: Is that not a compulsory price support if the farmer who produces corn in these commercial areas goes under this program?

Mr. POAGE. If he goes under this program and takes advantage of the soil bank I would assume he would also take advantage of the support. It is not compulsory that he do so.

Mr. FULTON. Is that not contrary to the President's views?

Mr. POAGE. We do not think so.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. POAGE].

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, as I stated, I rise in support of the amendment offered by the gentleman from Texas [Mr. POAGE]. The thing I am calling to the attention

of the House here is in an effort to try to bring this bill somewhat along the general idea that I originally had years ago when I first advocated the soil bank in the Congress of the United States. The theory was simply this: Anyplace in America where there is good cropland that a farmer wants to take out of production, let us give him the right to do so. We speak in terms of acres, but what we are after is pounds and bushels of commodities temporarily surplus to our consumption. There are too many encumbrances, especially in that one subsection, which will make it impossible for hundreds and thousands of farmers to do what they would like to do and that is simply to help in this great constructive movement of which I am sure the Congress is going to be proud in years to come. Our real objective is to reduce our producing acreage to the point where we can get the supply approximately down to demand. That is one of the basic and fundamental needs for the curing of what ails agriculture.

But here in subsection 3 we are saying to thousands of corn farmers: If you take advantage of what the Secretary of Agriculture has offered in the past few days, and you have a \$1.25 a bushel support for any amount of corn acreage you wish to put in, and that applies to the commercial Corn Belt, or even if you plant 1 or 2 acres more than that amount, you cannot take other land you possess out of production and put it into the soil bank. That is what I am objecting to. I am objecting to a subsection, a little innocuous subsection, which will prevent perhaps 3 or 4 million acres of good land in the heavy-producing areas of our country from being taken out of production and put into this bank as it should be.

It is a fact accomplished that we have now a guaranty of \$1.25 a bushel. This amendment just offered by the gentleman from Texas [Mr. POAGE] is validating that particular \$1.25 guaranty. I am not arguing for anything but the betterment of this bill. I am saying, Mr. Chairman, that we should do as it was the original intent of the bill to do and that is to try in every way possible to get 40 million acres, approximately 8 percent, of our good crop producing land out of production without any hindrances in the way of farmers to take any of their land out of production simply because of this one little subsection in the bill.

Although this problem applies throughout the commercial Corn Belt, my first concern is for the farmers in my own Seventh Congressional District of Minnesota. Let me illustrate what this means in terms of my district alone.

These figures not only point up my argument on this little subsection, but they may also let a few of you know why I am fighting the farmers' battles day in and day out in the Congress. You may be somewhat surprised at the scope of farming in this most intensely agricultural district in the United States.

According to the last farm census, we had about 8 million acres of farmland in our district. That is about one-half as much farmland as you will find in all

nine North Atlantic States—including New York and Pennsylvania—devoted to harvested crops. It is about one-third as much farmland as is devoted to harvested crops in the eight South Atlantic States including Delaware and Florida.

In 1954, we had almost 2 million acres of corn in our district, about 2.3 million acres of small grains, and 800,000 acres of soybeans. There, in my congressional district alone, you have over 5 million acres of highly productive land devoted to the output of feed grains. If we fully applied the soil bank in my district and took 8 percent of the acreage out of production that could well mean 400,000 fewer acres producing surplus feed grains.

This fertile land offers an equally fertile field for the promotion of intelligent retirement of surplus-producing land to conservation, and yet by this subsection you may well deny virtually every farmer in my district the opportunity to join in this commendable effort we are making to bring supply and demand into better balance. That is something for the gentlemen representing feed-grain producing districts outside of the commercial Corn Belt to think about. If your farmers are to enjoy the principal benefit of this soil-bank program; namely, higher prices for what they produce because of better balanced markets—then you had best give heed to my warning this day.

As far as I am concerned, I would have made the soil bank entirely free and independent of any necessity of abiding by any price supports. Why? If you take 40 million acres of land out of production, that is bound to reflect upon the strength and the position of all agricultural commodities in the United States, and the varying production of corn, soybeans, oats, or barley will have a natural flow, just as water flows downhill. By taking that 40 million acres out of production—and I sincerely hope this bill will accomplish it, and I am trying to help accomplish it—you will be taking out of production about a 1-billion-gross-bushel equivalent of material produced by the farmers for which we have no current market. That is what I am contending for here—to try to make it a better bill and to try to bring it into line with what the gentleman from Minnesota [Mr. MARSHALL] and I originally intended. It is simply a bill to take land out of production so as to bring demand and production more in line.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to commend the gentleman for his long-standing interest in the accomplishment of a soil-bank program. As he has pointed out, he was one of the first, and certainly one of the most active, promoters of that sort of a plan. We all realize that a few days ago when we had certain problems before us with respect to trying to accomplish a soil-bank plan we recognized the gentleman's long-standing interest in that sort of a program. We were seeking to bring to passage a soil-bank bill introduced by him and bearing his name.

Mr. H. CARL ANDERSEN. I appreciate that statement by the gentleman, who speaks for our Republican leadership in the House.

Mr. HALLECK. I am sure the gentleman does. However, I would just like to say this to the gentleman. All of us can understand a certain amount of merit in what he is urging, but at the same time I am sure he also would agree with me that these soil-bank provisions, except for the matter of advance payments, which we will be confronted with here a little later on, have been worked out after many, many days and weeks of laborious effort, and the bill as it is presently before us, insofar as the soil bank is concerned, represents very substantial progress in the direction of what the gentleman has been urging all through these years.

Mr. H. CARL ANDERSEN. I appreciate the gentleman's remarks and the spirit in which they are made. In view of the fact that leaders such as the gentleman from Iowa [Mr. HOEVEN], the gentleman from Minnesota [Mr. ANDERSEN], the gentleman from Kansas [Mr. HORE], and the gentlemen on the other side, gentlemen in whom I have much confidence, feel that perhaps this issue is not such a dangerous one as I personally think it is, I am going to bow to their judgment. Beyond all else I want to see this bill go through today, and I do not intend to do anything that will prevent its passage. However, I have made my point as to what I think.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. H. CARL ANDERSEN. Yes.

Mr. HALLECK. On the matter of the pending amendment, so that my position may be understood, I think that the amendment offered by the gentleman from Texas [Mr. POAGE], which validates the executive order heretofore made, is highly desirable and should be included in this legislation.

Mr. H. CARL ANDERSEN. I agree with the gentleman.

Mr. HALLECK. I may say also that there are other matters in here, particularly dealing with the provision with respect to feed grains, that do not altogether suit me. And, I would make some more substantial changes than have been here indicated. As I understand, there will be amendments offered by the gentleman from Texas [Mr. POAGE], which will make substantial changes, and I think "substantial" means, if I may say so, in the feed grain section. Speaking for myself, I am going to support those amendments, although, as I say, if I had my way, why, they would go quite a lot further than will be undertaken here so far as that problem is concerned.

Mr. H. CARL ANDERSEN. In conclusion, I am convinced that many of my friends who know this subject just as well or better than I do feel that there is nothing to fear along the lines that I have expressed. Nevertheless, I still hold those convictions. I do not intend to press my point any further. Let us go ahead and pass this bill.

Mr. KLEIN. Mr. Chairman, I move to strike out the last word.

(Mr. KLEIN asked and was given permission to speak out of order and to revise and extend his remarks.)

Mr. KLEIN. Mr. Chairman, it has been called to my attention that a gentleman by the name of Arthur Klein is running in the Democratic primary in Brooklyn, N. Y., against our distinguished colleague, JOHN ROONEY. I want to assure the House that it is not I who is running against him. If I were tempted to run for Congress in any district other than my own, I certainly would not run in his district, because I consider him to be one of the ablest and one of the finest Members in this House. He has done a great job. He is always on the job. He is one of the many capable members of the great Committee on Appropriations. When we of the New York delegation seek to do anything in behalf of our constituents, we always find Mr. ROONEY on the job here in Washington. I might say that I personally owe him a great debt of gratitude because every time we have wanted to do something, particularly with regard to the Middle East, he has been in the forefront of the fight to speed defensive arms to the State of Israel. As a matter of fact, he was among the first members of the American Christian Committee for Palestine before there was a new State. He has been a consistent two-fisted fighter for every just cause.

I can only say to him that anybody in his district who knows me should know, and I want him to know, that I support JOHN J. ROONEY 100 percent.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to speak briefly of the surplus disposal provisions for agricultural commodities in the bill. As a matter of fact those Members representing the cities should be interested in this bill from that point of view, because this bill will permit the Secretary of Agriculture to process and reprocess foods for family institutional use in certain suitable units.

Section 211 contains a provision that "the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

May I point out to the membership that those Representatives who have unemployment in their areas may, through the Department of Agriculture, get a good surplus disposal program going in their district. Together with Mr. Corbett, Mr. Eberharter and, before her death, Mrs. Vera Buchanan, we Congressmen in Allegheny County, Pa., helped set up a program of surplus food disposal, to underprivileged people, which has been very successful.

We Congressmen worked out the program in cooperation with the executive board members of the Control Labor Union of Pittsburgh, and the county and State officials.

In Allegheny County, Pa., where we have one of the greatest prosperities we have ever had, we still have 164,000 underprivileged persons who are on the

Federal surplus-food program covering free distribution under local voluntary citizen boards. That means we are supplementing the local public assistance, and charitable institutions, as well as supplementing the income of people who have an income of less than the requirement for eligibility, for example, \$110 a month for an individual person. I hope the proposed Federal stamps program is prepared and soon adopted by the Department of Agriculture, and that the current surplus-food disposal projects are continued.

I wish to express my thanks to the House Committee on Agriculture as well as the Department of Agriculture for their cooperation in helping our four Pittsburgh and Allegheny County Congressmen to work out the setup of this fine surplus-food distribution project in Allegheny County.

There is a problem that is coming up in the disposal of surplus commodities within the United States, and that is the problem of storage near the major points of distribution. Unfortunately, prior to the institution of the surplus-food disposal programs of any size in the United States the United States Department of Agriculture set up its warehouses either at the point of purchase or loan, or at the point of production of surplus agricultural commodities. That means there are no Federal warehouses now established at the points of consumption. With the Federal surplus-food program getting so large, it now has become incumbent upon the local communities to pay these costs of storage prior to distribution, that the Federal Government should be paying anyhow. The Federal Government has to store the surplus products somewhere, so why not near the point of disposal where most efficient?

May I ask this question of the gentleman from North Carolina [Mr. COOLEY] the chairman of the House Agriculture Committee: Is it not possible for the city of Pittsburgh and Allegheny County to have a Federal surplus commodity storage warehouse located in or around that large tristate industrial area, when we have such a tremendous disposal program in operation, that is helping this farm program?

Mr. COOLEY. If the gentleman will yield, I may say I agree with the observation the gentleman has just made. Congressman HOLLAND, from Pittsburgh, from the 30th District, spoke to me about the very problem the gentleman is now discussing.

Mr. FULTON. His and my districts adjoin. I know he is very much interested in this project, as are Mr. CORBETT and Mr. EBERHARTER.

Mr. COOLEY. He has expressed the desire that storage facilities be located near the centers where these foods may be consumed by our own people.

May I say that our committee has been intensely interested in the subject. Recently we had the Defense Department, Civil Defense, and Department of Agriculture officials before our committee discussing this very subject. At that time I asked the question whether consideration had been given to the advisa-

bility of establishing these storage warehouses not only at appropriate places inside this country but at other places out on our defense perimeter such as in the Hawaiian Islands and other places where these foods might be needed.

Mr. FULTON. May I comment on that particular point?

Mr. COOLEY. Yes.

Mr. FULTON. In a strategic area like the city of Pittsburgh the Federal Government should have a strategic warehouse for storage of foods, that would save tremendous demands on the railroads in case of trouble, when there would be a transportation shortage for steel and the sinews of defense. The Pittsburgh Federal storage facility could be used in the meantime for this surplus food disposal project, as well as for strategic food purposes for the area. Does the gentleman from Pennsylvania [Mr. HOLLAND] agree on that?

Mr. COOLEY. I am sure he does agree on that. He is anxious for that to be done.

If I may proceed a little further, we were advised by some official from the Department of Defense that the military people have provided for their own civilian personnel attached to the Military Establishment. We did ask the civilian defense officials what consideration had been given to the matter of distributing these foods and storing them elsewhere in the country, and we were told that they had some sort of program called Grandma's Pantry. That means everybody should stow away in their own pantry sufficient food for such emergency as might occur. They all agreed that the entire matter had been left to the decision of the Department of Agriculture. We have not pursued the matter further because we have been otherwise busily engaged. But I can assure the gentleman that our committee will pursue the matter further and that we will insist that adequate food supplies be stored in the Hawaiian Islands or Okinawa or wherever they can be stored.

Mr. FULTON. And in Pittsburgh.

Mr. COOLEY. And Pittsburgh.

Mr. FULTON. I thank the gentleman for his comment.

Then, I would like to ask this of the chairman of the House Agriculture Committee. Under the current legislation now before the House, is it not perfectly possible within that authority for the Department of Agriculture to have a storage warehouse for surplus agricultural commodities within the Allegheny County or the western Pennsylvania area, for western Pennsylvania, eastern Ohio, and northern West Virginia.

Mr. COOLEY. There cannot be any question about the authority now vested in the Secretary of Agriculture to do just what the gentleman is proposing.

Mr. FULTON. And the Department of Agriculture pay for the storage of the commodities until they are delivered to the local charitable and assistance agencies for distribution?

Mr. COOLEY. Yes; if the gentleman will just let me continue to make one further observation—in this very bill we are authorizing the payment of trans-

portation costs from the place of storage here in this country to the port cities in other countries, and we are actually authorizing payment of ocean freight to take these commodities to hungry people in foreign countries.

Mr. FULTON. May I ask the gentleman from Kansas [Mr. HOPE], the ranking minority member of the House Agriculture Committee, whether he agrees to that position on the legislative authority of the Department of Agriculture and in this particular bill?

Mr. HOPE. Yes; I am glad to say to the gentleman as far as this bill is concerned, I agree entirely with what has been said. And I know of no other legislation on the books that would not be in harmony with this. There may be, but I do not know of any.

Mr. FULTON. I thank the gentleman because this proposal will save the county of Allegheny alone \$8,000 to \$15,000 a month for storage costs.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. AUGUST H. ANDRESEN. In line with what the gentleman has to say about Pittsburgh, Pittsburgh is one of the target cities in the event of enemy attack.

Mr. FULTON. You are certainly right—it is one of the major United States targets.

Mr. AUGUST H. ANDRESEN. Which means that a million or several million people in the area, within the fallout area.

Mr. FULTON. Three million people.

Mr. AUGUST H. ANDRESEN. They will be required to move out of that area and they must be fed.

Mr. FULTON. And we have mountainous and hilly land so that there are very few main traffic arteries to get out of the city.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULTON. Mr. Chairman, I ask for 2 additional minutes as I have one more question.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. AUGUST H. ANDRESEN. I have introduced a bill that provides for the establishment of survival food depots outside of the fallout area.

Mr. FULTON. I will be very glad to support the gentleman in that bill for the establishment of strategic food reserves near our United States industrial areas and where strategically necessary for our United States continental, Territory, and advance base defense.

Mr. AUGUST H. ANDRESEN. That will take care of the people who may be driven out of Pittsburgh, the evacuees from Pittsburgh in the event of enemy attack.

Mr. FULTON. That is very fine. I yield to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. I want to concur in what the chairman and the ranking minority member of the Committee on Agriculture has said about the interest of the Committee on Agriculture in this

very problem with which the gentleman is concerned. May I call the gentleman's specific attention to title II of the bill which is headed "Surplus Disposal" and found on page 30 of the bill; among other things it requires the Secretary of Agriculture within 90 days after the enactment of this legislation to make any recommendations he sees fit for the disposal of agricultural surplus commodities. Starting at line 22, reference is made to the strategic stockpiling of foodstuffs and other agricultural products.

Mr. FULTON. That is right, and I strongly favor those provisions of this legislation.

Mr. HOEVEN. The bill takes care of your problem in every respect and we will be looking forward to the recommendations of the Secretary.

Mr. FULTON. I would recommend the Secretary of Agriculture should take into consideration the setting up of food stamp plans of various kinds in the local communities of the country, so that various plans can be set up to meet the requirements of State and local laws, and take into consideration the economic situation of each community. One type of plan would not fit every community in this country.

Mr. HOEVEN. That is all provided for in title II of the bill.

Mr. FULTON. I thank you very much. I appreciate it and I certainly am going to vote for this program.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. KING of Pennsylvania. The last time I saw the figures, 80 percent of all this surplus food was going into the State of Pennsylvania. Would you say that means—

Mr. FULTON. There is no doubt that such surplus food distribution is mostly under the program that we Congressmen in Pittsburgh helped set up.

Mr. KING of Pennsylvania. Would you say that means that Pennsylvania Congressmen have been a little more alert to the opportunities in this program?

Mr. FULTON. Well, we in Allegheny County are 2 Republican Congressmen and 2 Democrats that set up the program. We have another Democrat, Mr. HOLLAND, who is now joining us. We took the program out of politics. I might say there are about 16 million pounds of surplus food worth between \$8 million and \$10 million, that have been administered and distributed through the Allegheny County commissioners' office under this Federal surplus commodity program to date.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The amendment was agreed to.

Mr. POAGE. Mr. Chairman, I have three amendments on the Clerk's desk, and I ask unanimous consent that they be read and considered en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. POAGE:

On page 50, line 2, strike the words "each year" and insert in lieu thereof "each of the years 1956 and 1957."

On page 50, line 4, strike the figure "85" and insert in lieu thereof "82½."

On page 50, line 15, after the word "for", insert the word "such."

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

I want to congratulate the gentleman from Texas [Mr. POAGE] and those other members of the committee who have worked most diligently on this corn provision, particularly the gentleman from Iowa [Mr. HOEVEN]; also the gentleman from Indiana [Mr. HARVEY], the gentleman from South Dakota [Mr. LOVRE], and others who have worked with the gentleman from Texas [Mr. POAGE], very diligently and faithfully in trying to improve the section we have in this bill, the section to which I referred yesterday in the colloquy with the gentleman from Indiana [Mr. HALLECK]. It seems this will improve the section, and I hope the amendments will be adopted, and I hope everyone will fully appreciate the efforts of these very devoted public servants who have tried to work out this section.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Kansas.

Mr. HOPE. I would like to join with the distinguished chairman of the committee in expressing the hope that the Committee of the Whole will see fit to adopt these amendments which have been worked out very carefully by the distinguished gentlemen whom the chairman has mentioned, and who have worked out a very satisfactory solution of a very difficult problem.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. POAGE].

The amendments were agreed to.

Mr. ALBERT. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read, as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert: "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert: "including grazing lands."

Page 9, line 24, strike out "or" and insert a comma; and insert after "acres", the words "or other standards."

Page 12, line 4, after "\$23,000,000:", insert "grazing lands, \$50,000,000."

(Mr. ALBERT asked and was granted permission to revise and extend his remarks.)

Mr. ALBERT. Mr. Chairman, the purpose of this amendment is to make grazing land eligible for participation

in the soil-bank program. The amendment should be adopted to round out a program that will be applicable to all segments of agriculture. The objectives of the soil bank are twofold: First, to help eliminate price-depressing surpluses; and second, to help build up and preserve the soil. On both grounds the program should be made applicable to livestock grazing of natural pastures.

Of all phases of agriculture where price-depressing surpluses have accumulated, the problem is most acute in the livestock industry. Cattle population in this country today is at an all-time high. There are more than 97 million head of cattle in the United States at the present time.

Since 1951 the cattle industry has suffered price declines greater than that of any other segment of our agricultural economy, and today the comparative position of the livestock producer is worse than that of any other agricultural producer. In the April 15, 1956, Agricultural Price Index of the Department of Agriculture the parity relationship of beef cattle was 70 percent, of beef calves 71 percent, of lambs 77 percent, of sheep 63 percent. This is an overall average of 70.25 percent as compared to an overall average of 84.6 percent for the basic commodities.

From the high price of 1951 to the fall of 1953, cattle dropped an average of more than 50 percent. Prices of canners and cutters dropped from \$21.55 in April 1951 to less than \$7 by November 1954, a 69-percent decline. Choice steers fell from \$36 in April 1951 to \$21 in June 1953, a 42-percent drop. In the fall of 1955 fat beef cattle were selling in the Chicago market as much as \$11 lower than in the fall of 1954. These price drops have been the direct result of increases in cattle numbers. There were 76.8 million head of cattle at the most recent low point on January 1, 1949. There were 97.5 million head at the most recent high point of January 1, 1956.

This amendment is needed not only to help reduce the livestock surpluses on the ranges of this country but also to take out of pasture our overgrazed rangelands. As previously indicated, we have had consistent increases in cattle numbers for several years, even though we have had over a large area of the United States a severe drought for the past 3 years. This means, of course, that we have increased the grazing load of pastures in all sections of the country. Much of this land is overgrazed and needs to be taken out of production. Already there is evidence of a returning dust bowl. Our natural pastures are a part of our agricultural economy, and along with our croplands our conservation programs should be applied to grazing land.

This amendment should be adopted because it will help maintain a balanced program in diversified farming areas. In many areas, crop and livestock production are part of the overall farming operation. A small farmer engaging in both crop and livestock production will not be able to retire his cropland and retain a balanced program unless he can put a part of his grazing land in a soil

bank. Small farmers will be benefited particularly by this program. Thousands of these small farmers will be unable to participate in the soil-bank program unless grazing lands are included.

This bill in its present form does absolutely nothing for the cattle producer of this country. It may do a lot to him, however. This bill provides for the retirement of cultivated land to grass and trees. It will create a large number of pastures that will compete with grazing lands of the country 3, 4, and 5 years from now. Cattlemen are disturbed, and they have reason to be disturbed, about the fact that within 3 or 4 years an additional 6 million or 7 million head of cattle may be in competition with their pastures.

Mr. Chairman, the twin objectives of the soil-bank program—to conserve our land and eliminate price-depressing surpluses—are good. The biggest trouble with this bill is that one of the most important segments of agriculture has been left out. Grasslands or grazing lands should be included in the soil-bank proposal. Therefore, I urge the adoption of my amendment.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Colorado.

Mr. HILL. If my interpretation of the amendment is correct, it seems to me the amendment is a good one. I wish to read line 6: "Making a corresponding reduction in livestock units below a representative period designated by the Secretary."

Does that mean that if I should put 15 percent of my pasture land into this acreage reserve program that I would be supposed to reduce the number of my cattle by about the same percentage? And I am talking about range cattle.

Mr. ALBERT. The gentleman is correct. Otherwise it would not work, I will advise the gentleman. In other words, it should be in the conservation reserve if we did not do that. This is the way to help cut down the cattle numbers. The surplus in the cattle population is the greatest surplus in agriculture today and the cattle growers are carrying that surplus, not the Commodity Credit Corporation.

Mr. HILL. The gentleman is sure his amendment means if a livestock producer goes into this program, if he should take a 25-percent acreage reserve in the program, he must agree to take a 25-percent reduction?

Mr. ALBERT. He will have to reduce his cattle numbers.

(Mr. ALBERT at the request of Mr. EDMONDSON) was allowed to proceed for 2 additional minutes.)

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I want to express my wholehearted approval and support of this amendment. I think it fills a void that is present in this bill which will mean more to thousands of small farmers across the country than anything else we can do at this time. I have seen the disastrous

results of the fall in cattle prices. I have seen cattle sales where bankrupt small farmers were forced to sell their calves for \$5 or \$6 apiece. This amendment would mean more in terms of improving the economic life of the farmers of our section than anything else, and I want to commend the gentleman for offering the amendment.

Mr. ALBERT. I thank the gentleman.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Utah.

Mr. DIXON. I am very much in favor of the pending amendment. As I figured here beef when we consider parity is 22 percent below cotton and 15 percent below wheat. Wool is 26 percent below cotton and 19 percent below wheat.

Mr. ALBERT. I thank the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am personally concerned, I did not know of the gentleman's amendment or anything about it or that he was going to offer it until it was presented. I would like to ask the gentleman, Did he present this amendment in committee?

Mr. ALBERT. I presented the amendment to the committee, but we had no chance or opportunity to hold hearings on these various amendments because we were trying to bring this bill to the floor. No substantial objection to the amendment was expressed in the committee.

Mr. HALLECK. My information is that by a very substantial vote the committee decided not to include this sort of provision in the bill.

Mr. ALBERT. That is not correct. There was no record vote or showing of hands on this amendment. It was defeated by a voice vote without argument or debate.

Mr. DIXON. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, the legislation thus far has been largely in favor of that portion of agriculture which provides only about 30 percent of the farm income. This legislation has to a very large extent discriminated against the livestock raiser and the other 70 percent of our agricultural income.

My first reason for supporting the pending amendment is that it will tend to some extent at least to overcome the inequity that exists between the basics and feed grains supported under the bill and the livestock industry. Croplands eligible under this bill only amount to about 8 percent of agricultural income in the State of Utah, 18 percent in Colorado, 16 percent in California, and 16 percent in Oregon, while in our State the livestock industry accounts for 70 percent of our agricultural income.

Now, our livestock raisers are not asking for supports, but they are asking for some sort of equity; at least that they be not further discriminated against through Federal legislation.

My second reason is that soil conservation is needed just as much on the ranges

as it is on our croplands, and in many instances more.

I am just going to illustrate the situation as I see it. The Utah cities are located largely on the Wasatch front, immediately on the hillsides backed by the steep mountains. Private overgrazing and drought account for much trouble with watersheds supplying the cities, when the high mountain slopes and the divides become bare, the snow melts immediately in the spring and runs off as floods. Then, when we want it in the summertime for our cities, we have no water.

The CHAIRMAN. The time of the gentleman from Utah has expired.

(Mr. DIXON asked and was given permission to proceed for 2 additional minutes.)

Mr. DIXON. Our communities have raised nearly \$200,000 to buy private rangelands in order to take them out of grazing so that the Forest Service could reseed and restore them. In those areas the Forest Service has made a great transformation and now, instead of grass, underbrush and trees cover the formerly denuded areas the precious water running off as floods in the spring, when we do not need it, the water seeps in and runs out as springs in July and August when we do need it.

I support this amendment, first, because it will help to overcome further discrimination of farm legislation against livestock and in favor of the so-called basic crops; second, it will reduce the number of livestock on overgrazed areas; third, it will help some livestock men to stand the shock of the reduced number of their livestock while parts of their range is being restored; and, fourth, it will protect our watersheds which threatens the destruction of our cities unless they are protected.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The majority leader asked a question if this amendment had not been voted down in the committee. Is it not a fact that in the committee there was an agreement that the bill should be brought to the floor as it was, and 5 or 6 or 8 amendments were hastily voted down with very little debate or discussion of anything else, leaving the bill just as it was?

Mr. DIXON. The gentleman is right.

Mr. BELCHER. With the understanding that any amendment may be brought up on the floor.

Mr. DIXON. The gentleman is correct.

Mr. BELCHER. And that any Member could offer amendments on the floor.

Mr. DIXON. The gentleman is correct.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Virginia.

Mr. JENNINGS. Does the gentleman not agree with the fact that if this provision is put in the bill, it will make it more acceptable to the livestock industry throughout the country; that there might be those who could support the soil-bank provision with this amend-

ment in that could not otherwise support the bill?

Mr. DIXON. This is the very minimum of what we ought to do for an industry that is depressed worse than any other and has the greatest surpluses.

Mr. JENNINGS. That is exactly right. May I add further that I think this is a good provision. I support it wholeheartedly, and I trust it will be adopted.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Ohio.

Mr. HENDERSON. May I ask the gentleman what effect this amendment will have upon the raisers of cattle, especially in the State of Ohio and States farther to the east? Would it be beneficial to them?

Mr. DIXON. I do not know the situation in Ohio, so I am unable to answer.

Mr. HENDERSON. Would it be beneficial to anyone in any part of the country who was raising livestock exclusively?

Mr. DIXON. It would benefit the livestock raiser; possibly not the livestock feeder but the livestock raiser it certainly would help, because his feeds are going to go up under this bill; unquestionably they will go up, and this is the least we can do to help him.

Mr. BELCHER. Mr. Chairman, if the gentleman will yield further, in answer to the gentleman from Ohio, is it not a fact that anything that would reduce the cattle population in the United States would certainly improve the conditions that exist in the cattle industry?

Mr. DIXON. This bill would reduce the cattle population of the United States, and it should bring better prices for livestock.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Indiana.

Mr. HALLECK. I hesitate to say what I am about to say, but I feel constrained to do it. There may be a lot of merit in this proposition, but it is a far-reaching proposal. It authorizes and directs the Secretary to take this action. It was not worked out, as I understand it, in conference. I do not think it has had the consideration that it ought to have before a matter of this importance goes into the bill. I would not be for foreclosing some such action if the committee could get to work on it and have some hearings and determine what ought to be done about it. But it is a new matter and I think a very great extension of what we have set out to do. I doubt the wisdom of it at this time.

Mr. DIXON. It is not a new matter to me. I have discussed it with the Department and Representative ALBERT with the committee. In my opinion, it is all to the good. The chief reason why it has not been given approval is that they did not want to add to the complex farm bill at this time.

Mr. Chairman, upon very careful examination of the soil-bank provisions of H. R. 10875, I have come to the conclusion that it provides very little direct assistance to farmers in the 10 Western States of Arizona, California, Idaho, Montana, Nevada, Colorado, New Mex-

ico, Oregon, Utah, and Wyoming, who primarily produce beef cattle, sheep, lambs, and wool. For this reason, I wish to speak in support of the Albert amendment, which includes grazing lands in the acreage reserve.

Indirectly the soil bank may serve to improve the price and income position of midwestern livestock producers if it succeeds in reducing the production of feed grains and thereby the supplies of competing meats such as hogs. The soil bank, as proposed in H. R. 10875, however, does not provide much in the way of direct assistance to the depressed western beef cattle and sheep industry for these reasons:

First, because the acreage reserve program primarily is limited to the basic commodities—wheat, cotton, corn, rice, peanuts, and tobacco, which provide American farmers with only 26 percent of their income. By including feed grains, Utah livestock producers can expect to pay more for feed and feed concentrates since it is already a deficit feed area. Grazing or range land is not eligible, although in the Western States such lands constitute the basis for our production of beef cattle and sheep which, by comparison, provide farmers in these States with up to 80 percent of their income.

Second, the croplands eligible for the acreage reserve are not to any appreciable extent grown in the beef cattle and sheep country of the Western United States. For example, in Utah only 8 percent of cash farm receipts are derived from the sale of basic commodities; in Nevada only 1 percent; in Wyoming only 8 percent; in Colorado only 18 percent; this mostly from wheat grown in the non-livestock-producing areas, only 16 percent in California and Oregon, respectively.

On the other hand, we find that 41 percent of the cash from receipts in North Dakota are from the sale of basic commodities, 42 percent in Kansas; both of these being major wheat-producing States. In the major tobacco, cotton, rice, and peanut producing States, a high percentage of cash from receipts likewise is derived from their sale. For example, 66 percent is derived from the sale of one or more of these products in North Carolina; 59 percent in South Carolina; 41 percent in Georgia; 46 percent in Kentucky; 42 percent in Tennessee; 45 percent in Alabama; 65 percent in Louisiana; and 41 percent in Oklahoma.

The acreage reserve program, therefore, is primarily a program for producers of basic commodities. It is not capable of meeting the price and income problems of the beef cattle and sheep industry of the western United States. Nor for that matter is the conservation reserve program which limits eligible land to that which is regularly in use for the production of row crops and feed grains.

Mr. Chairman, the present price situation faced by the producers of beef cattle, calves, lambs, sheep, and wool is indeed a bleak one. A comparison of market prices as a percentage of the parity price of the products with those

of the commodities eligible for the soil bank under H. R. 10875, reveals that the producers of these livestock products are in more desperate straits than those who produce the basic commodities in the Midwest and Southern States.

As of April 15, 1956, the prices of the eligible acreage reserve commodities—cotton, wheat, corn, rice, and tobacco—burley—stood at 92, 85, 76, and 81 percent of parity, respectively. On the other hand, beef cattle, calves, lambs, sheep, and wool were selling, respectively, at 70, 71, 77, 63, and 66 percent of parity. You will note that all of these livestock products were selling at a parity price below the basic commodities eligible for the acreage reserve.

The severity of this price situation in the 10 Western States is revealed by the Crop Reporting Board's Livestock and Poultry Inventory, January 1, which was released on February 1, 1956. Although cattle and calf numbers increased by 409,000 head during 1955, the value of the 17,312,000 head on farms as of January 1, 1956, was only \$1,557,809,000—some \$96,639,000 less than the value of the 16,903,000 head on farms on January 1, 1955. During 1955 the average value per head declined \$7.90.

Sheep numbers declined by 90,000 head during 1955, and the total value of the 13,487,000 on farms as of January 1, 1956, was \$212,721,000—a decline of \$17,542,000 in 1955.

In spite of this, the western beef cattle producers are not asking for direct price supports, but they have a right to complain about a soil-bank proposal which gives, in addition to price supports, other financial assistance to cropland agriculture which provides less than 30 percent of total farm income in the United States, and less than 20 percent in their area. When they receive no price support, they have a right to complain about additional financial favoritism shown supported feeds which are an element of livestock costs.

Mr. Chairman, simply put, the general public interests require that the pressures on these rangelands be eased and our rehabilitation program must be accelerated. Assistant Secretary of Agriculture Peterson has stated our need this way:

These lands must be managed for maximum continuous production of forage and its efficient use for livestock and game production. This means reasonable use for livestock and game production. This means reasonable use—not misuse or nonuse. It means that the way they are grazed should encourage the range forage to continuously renew itself. Where it is below its potential, management should encourage improvement. It also means full application of seeding, plant control, soil fertilization, and other tools, where such tools have been proven, adopted, and practical.

This amendment, therefore, is designed to facilitate sound range management of our private lands and, at the same time, provide direct assistance to our western livestock producers. Many of these people cannot continue in business in the light of the low prices for beef cattle, sheep, lamb, and wool, and the need for reducing grazing on public and private lands, without some financial assistance. Because of climatic and topographic conditions, other types of agriculture, such

as those which exist in these Midwest and southern areas, do not offer much in the way of other production alternatives.

The amendment provides for deferred grazing payments on private lands as part of the acreage-reserve program, since most of these rangelands are in extremely poor condition. The Agricultural Conservation Program Service of the Department of Agriculture, which administers the agricultural conservation program, informs me that such payments as those contemplated by this amendment are being made at present in a few States. Due to lack of funds, however, payments are very modest and far below those needed to induce very extensive participation.

This amendment will serve, therefore, to meet these two problems—one immediate, the other long range:

First. Livestock producers will find in it direct financial assistance similar to that provided producers of the basic commodities who participate in the acreage-reserve program.

Second. A great impetus will be given to proper conservation and management of our public and private range and watershed lands.

I urge the House to adopt this amendment.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure that practically everybody wishes to do something to help the present farm situation. It is rather difficult to agree on just what would help. I should like to point out some things about the pending amendment. It is my belief that if the Department were to purchase these products and require—which they have not done heretofore—that the price paid be carried back to the original producer so that the farmer got the benefit, doubtless it would do some good.

I do not know but that it would be well to adopt the provision so that they could work it out in conference, but I should like to point out one thing that I see that would lead us in the opposite direction to that which the gentleman from Oklahoma [Mr. ALBERT] contemplates going.

If you cut the cattle population 15 percent, where do they go? They go to market. If you force 15 percent of your cattle on the market in addition to that which is already on the market, without any price support, what have you done? It might well further reduce cattle prices. It is a serious question.

My purpose here, however, is to point out that unless certain major changes such as advance payments are incorporated into this bill, I plan to vote for the bill largely because I believe in soil conservation and the bill does protect against further cuts in cotton acreage which has been cut 35 percent in 3 years. I wish to warn the membership that unless we continuously keep in world markets that we could be making the most serious mistake a Congress could ever

make. We should have learned we cannot bring world supply and demand into balance by cutting our production.

You cannot prevent world production working on the American farmer. Neither can you control production just by cutting acreage. Let us look at the records of the Department. Since 1932 the Department of Agriculture has cut cotton acreage 35 percent. In 1955, 55,000 farm families were put out of their homes by cotton acreage reduction alone.

What happened in the Commodity Credit Corporation during that period? The inventory of the Department of Agriculture, the Commodity Credit Corporation, in cotton increased from \$32,500,000 in 1952 to \$1,437,000,000 investment as of now, as I have pointed out, during the period that we had a 35 percent reduction in acreage in the United States.

Let us take wheat. The Department of Agriculture has cut wheat acreage 25 percent in the last 3 years, and the inventory of the CCC in the same period has increased from \$352 million to \$2,399,000,000.

The point I wish to make is this: The only way we in this country can live with this soil bank, under which we pay the farmer to further cut his acreage, is for this Government continually to keep our supply of commodities on world markets for sale; because we have held our commodities off world markets and refused to sell them on a competitive basis.

This 35 percent cut in cotton acreage in the United States has not cut world supply. It has meant that 35 percent of our acreage moved into South and Central American and north Africa. This 25-percent cut in United States wheat acreage has not cut world acreage in wheat. It has moved overseas—because by Government policy United States commodities were not offered in world markets at truly competitive prices.

In this bill we are paying rent to the American farmer further to cut his acreage, which is all right, if we will see that the supply of cotton, of wheat, and other commodities we have on hand is put on the counters of the world for sale on a competitive basis to take away the incentive of people in foreign countries to increase their wheat acreage as we reduce ours.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I should like to ask the gentleman if he does not know that the Secretary of Agriculture has full and complete authority to do everything the gentleman is urging him now to do?

Mr. WHITTEN. I agree thoroughly with the gentleman.

Mr. COOLEY. And when the gentleman last year tried to get the Secretary to announce a positive export program for cotton, he refused to do it. When he finally got around to it in January, he moved about 1 million bales of cotton in about 40 days.

Mr. WHITTEN. That is exactly right. I have made this speech so many times I irritate some of my colleagues, I am sure, but I should like to point out that in 1954, after I had urged for years that these commodities be offered for sale, for the first time we got some limited number of commodities offered in world trade on a competitive basis, and they sold for dollars. This year, as pointed out by the distinguished gentleman from North Carolina, the Secretary finally got around to offering 1 million of the shortest-staple cotton we had, hoping to sell it in a year, and he sold it in less than 60 days. Only yesterday did they get around to opening the bids on the sale of any more cotton.

I would point out to you the record:

Last year my subcommittee pointed out that the Department had unlimited authority to sell CCC farm commodities in world trade at any competitive price essential to move them.

We pointed out that this then \$10 billion corporation had no sales manager or sales organization.

We pointed out that the Department had insufficient information on expanded foreign production and on what foreign countries were doing to export their commodities.

We pointed out that our information as to where the money between the farmer and the consumer, the spread, was going was entirely inadequate.

Our committee set up funds separately for those purposes only. The Secretary said in the press our report was politics, yet the House passed our bill without amendment.

The Secretary went to the Senate and had these provisions stricken from the bill.

We went to conference with the Senate and such provisions were put back in the bill and all conferees signed the report, House Members and Senators, Republicans and Democrats.

In recent months I note where the Department and even President Eisenhower is proud of what the Department is doing under these provisions.

Acreage cuts
[In millions]

	July 1952	July 1955
Cotton.....	27.1	117.5
Corn.....	82.4	81.6
Wheat.....	78.3	258.3

¹ 35 percent.
² 25 percent.

CCC INVENTORIES

In reviewing the various developments in our agricultural situation, during the 3 years Mr. Benson has served as Secretary, we should take a look at the number and value of commodities in the hands of the Commodity Credit Corporation. As of December 31, 1952, when he took over control of the Department, CCC inventories totaled a little over \$1 billion. As of December 31, 1955, these holdings had increased to over \$6 billion.

As to specific commodities, the record is as follows:

[In millions]

	Dec. 31, 1952	Dec. 31, 1955
Corn.....	\$447.0	\$1,300.0
Cotton, upland.....	32.5	1,437.0
Rice.....	.2	175.9
Wheat.....	352.4	2,399.0
Dairy products.....	8.4	281.3
Nonbasics.....	198.9	270.7

You will recall that for 3 years I have pointed out that the Department had authority to sell these commodities in world trade through normal channels for dollars. Until 1954 the Department would not offer any commodities. At that time the Department offered 137 million pounds of peanuts; 369 million pounds of cottonseed oil; 70 million pounds of linseed oil, 9 million pounds of flaxseed; and small quantities of several other commodities, and you sold them for dollars. The amount sold for dollars in 1954 was \$92,914,102. In 1955 you finally added limited amounts of butter, dried milk, whey, corn, rice, wheat, barley, grain sorghums, oats, rye, and soybeans, and sold them for dollars.

During this period our Government refused to offer cotton in world trade for sale for dollars at competitive prices, resulting in the biggest holdings of cotton ever held off the market by any country in history, reaching the total of 8 million bales.

Only on January 1, 1956, would the Secretary offer any cotton and then you said you would offer only 1 million bales of the shortest staple, $\frac{7}{8}$ inch. I am pleased to note our experience apparently proves the soundness of my views, for in the month of January 1956 you sold 600,000 bales of the total 1 million you announced you would sell in 6 months; and on the 28th day of February, in 59 days, you had sold the last bale of the million offered.

During this 3 years the Department held United States commodities, with the exceptions mentioned. Thousands of farm families were put off the farms and out of homes, 55,000 by your cotton acreage reductions in 1955 alone; and foreign acreage increased as fast as our farmers were cut back.

While our commodities were held off world markets by refusing to sell competitively and cut our farmers' acreage, foreign production, under the Department's convenient price umbrella increased as follows:

INCREASED FOREIGN AGRICULTURAL PRODUCTION

During the 4-year period ending with the crop year 1954-55 foreign countries increased production of all the basic commodities—cotton, wheat, corn, rice, tobacco, and peanuts—over 1950-51 levels.

Based on the most recent information available for the crop year 1954-55 the increase was approximately as follows: Cotton, 5.1 million bales, 28 percent; wheat, 329 million bushels, 6 percent; corn, 403 million bushels, 19 percent; rice, 29 billion pounds, 13 percent; tobacco, 457 million pounds, 9 percent; and peanuts, 1,360,000 tons, 14 percent.

These increases are substantial but the increase of 28 percent in cotton production is particularly significant when it is realized that United States production declined 16 percent from almost 16.5 million bales in 1953-54 to an estimated 13.9 million bales in 1955-56.

While it is impossible at this time to forecast the world's 1955-56 crops, such information as is available indicates a further substantial increase over 1954-55 on at least two of the major basic commodities—cotton and wheat—possibly as much as 1.5 million bales on cotton—6 percent—and 440 million bushels on wheat—7 percent.

Land devoted to production of these two commodities in 1955-56 is expected to be substantially more than in 1945-55, nearly 2 million acres on cotton and 15 million acres on wheat, in addition to an increase in 1954-55 over 1950-51 levels of almost 10 million acres on cotton and 46 million acres on wheat.

Corn: Foreign production up 403,500,000 bushels.

Dairy products: Foreign countries produced 740 million pounds more cheese, 66 million more dried milk.

In 1954 United States exports of cheese dropped from 47.5 million pounds to 5.4 million pounds.

Canned milk: United States dropped out, and the Netherlands increased exports 125 million pounds above 1950.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. WHITTEN was given permission to proceed for 5 additional minutes.)

Mr. WHITTEN. Earlier in this week Secretary of Agriculture Benson gave me flat assurances in testimony before my committee that the Government now was going into a sales program and that we could rely on their carrying forward a sales program to sell these commodities and keep them constantly offered for sale. If that is done, we can live with the soil-bank idea, but if it is not done it will just further move our acreage overseas.

The reason I am disturbed today is that the Department opened bids yesterday for further cotton sales, and they had bids for 1 million bales more of cotton. The lowest price offered, so I am told, was 27.5 cents for the shortest kind of cotton they have, very, very little below the support level we have in this country. Do you think the Department sold that many bales? They accepted bids on only 10,000 bales, though they had the bids there, bona fide bids, for 1 million bales of cotton. After what happened yesterday, I am skeptical. I have invited the Secretary and the Department witnesses to come back before my committee tomorrow so that we can dig into it.

I wish to point out that as we have cut cotton acreage under a compulsory law, that acreage has shown up overseas. As we have cut wheat acreage, that acreage has shown up overseas. As we have cut these other acreages, they have shown up overseas. These foreign countries are increasing as rapidly as we cut down.

There is only one way in the world that I can see that our reductions where

we contribute our part in trying to bring world supply and demand into balance can be made effective, and that is to keep our commodities constantly on the tables of the world, the counters, for sale at competitive prices.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. If we go into an extensive program of subsidizing the sale of our surplus cotton abroad, it is going to take considerable financing to put on a program of that kind.

Mr. WHITTEN. May I interrupt the gentleman, because I differ with his statement so radically.

Mr. BAILEY. Let me continue my question, please. Suppose we approve OTC, there is a provision in the General Agreement on Tariffs and Trade against the setting up of subsidies and import quotas. Would we have to go to Geneva and submit our request there to 34 other nations? Certainly there will be other nations that grow wheat. Are they going to give us permission under the General Agreement on Tariffs and Trade to set up a subsidy to dispose of our surplus?

Mr. WHITTEN. I am in agreement with the gentleman on that issue, so there is no argument with me on that. The Government already owns these commodities and is paying storage on them at the rate of about a million dollars a day. If you go ahead and sell these commodities you could save that amount in storage and we would make it possible for our farmers to farm. Every country in the world is moving the commodities they have in world trade for what they will bring. The only way we can keep from ending up as producers for domestic consumption only is to keep the commodities our farmers are producing offered in world trade for what they will bring. This bill is highly dangerous unless the Secretary does as he has assured us he will do and as he has proven in the last year and a half he can do, that is, sell these commodities in world trade.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. The gentleman has indicated that the Secretary should sell this cotton in world trade. Is there anything to prevent the producers themselves from selling it in world trade?

Mr. WHITTEN. The mechanics of this program have the effect of preventing it, because if you can get 82.5 percent support in the United States, under the President's pronouncement, or 90 percent under the present law, if the world price is below that you can easily see the farmers would go to the Commodity Credit Corporation and get the loan, as long as the world price is below the United States domestic support price. The mechanics of the program, under present conditions would be that the cotton would go into the Commodity Credit Corporation and out just because that would be of economic benefit to the

farmers. Now, you can change this method of handling the thing under the present law, but that would be the process.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. COOLEY. I would like to point out that just a few years ago when we had a cotton embargo imposed upon us, cotton was selling in the world market far higher than it was selling here at home.

Mr. WHITTEN. Yes. As you will recall, the world market was around 76 cents a pound and our production was all bottled up in the United States where the farmer was getting about 45 cents a pound. Fear of an all out war with Korea was given as the reason, but the effect was to injure our farmers.

Mr. COOLEY. We would not let the American farmer sell his cotton abroad.

Mr. WHITTEN. That is exactly it. In effect, by Government we have it bottled up here.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I just want to say to my distinguished friend from Tennessee whom I greatly admire that I have been here a half hour waiting to be recognized, also to say to the House that I understood this proposed legislation had been amicably agreed upon and that all differences had been reconciled and that you were going to come out here with a bill that we would experience no difficulty in passing and which would be acceptable to most of the Members on both sides of the aisle. I understood all differences had been ironed out. But, it is quite evident now that the doors are going to be opened and the bars are going to be let down and that you are going to clutter up this proposed legislation with a lot of amendments which will not make it any more acceptable than the previous bill which was vetoed by the President. Take cattle grazing, for instance. If this amendment as agreed to—the doors have been opened again. Now I cannot understand why, if cattle production was at a low level in 1949, it should have increased so tremendously through the years up to 1956. Evidently the cattle were not shipped to the market. If the cattle had been shipped the law of supply and demand would have stabilized the market and cut down the production. The American people might have gotten cheaper beef. However, the consumer has no voice here, he merely pays the bill. I would not mind if there were some restrictions in this amendment to help the small cattle farmers. I am in deep sympathy with and want to help the small farmer, but I am not interested in helping these gentlemen farmers, these professional businessmen who went into the cattle business, and these drugstore cowboys who saw a good market in

1949, and who all went into the cattle business thinking they were going to get rich quick. It is the same as an individual who went into the market and bought some stock. If it goes down he takes his loss and has no one to bail him out; he takes his loss and that is that. These folks that went into the cattle business overproduced and then they ran into a drought and then they ran into a depressed market and a couple of years ago they came up here asking for Uncle Sam to bail them out. Now, they are in the cattle business which is outside of their particular profession and with more cattle than the market can absorb they are in difficulties and they are looking for relief. I want to help the old, established cattle farmer, the cattle rancher who has been in the cattle business all his life and the small cattle farmer. But, these folks who went into the cattle business in a big way, who saw a rainbow in the sky and who then ran into a bad market, a drought, overproduction, and a few other things, think now that here is a good chance to get bailed out of a bad situation. I would like to ask the gentleman from Oklahoma if the situation is so bad and if there is such a depressed market, why have cattle increased so tremendously since 1949?

Mr. ALBERT. The increase in cattle has not been paralleled by the price situation, obviously. The numbers of cattle has been going up as the price has been going down because there is no place to go with the cattle.

Mr. GAVIN. Certainly, that is natural, put them on the market even though the price is lower they will be readily taken up and they will proceed with more caution in overproducing in the future.

Mr. ALBERT. This particular program would require a decrease in cattle in order for them to participate in it.

Mr. GAVIN. Naturally, ship the increased production to the market, supply and demand will stabilize the market and if these people cannot make a profit a lot of them in the cattle business who were not cattle farmers will go out of business and you will have no more overproduction. Now you have an overproduction of cattle and you are coming along asking the Congress to pass legislation to bail them out. You say, let us get some help for the cattle farmer. Let the doors be opened so that he can recover some of his anticipated losses that he will have to take sooner or later. If they had better judgment, they would not have gone into the cattle business in the first place, it was out of their line. They should have stayed out of the cattle business and looked after their business. If he was a gentleman farmer or a professional businessman let him take his loss and not be asking for legislation for relief. But here are these drugstore cowboys who thought they were going to make a big killing in the cattle business and who now are asking us here to open the door with legislation to recoup his losses.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. HALLECK. The gentleman spoke of amendments that might be considered. I would like to say that as far as I am concerned—and I have tried to be as diligent as I could in connection with this matter—I have taken the position that we should not have a lot of amendments in connection with this bill that has been worked out after a great deal of time and effort devoted to it. I do not know what the effect of this amendment could be. It might be destructive to the entire bill. I would like to say further that a number of Members have come to me with amendments that were presented in the committee, and my advice to them has been that we ought to go on and perfect this bill and get it passed, because essentially it is a good bill that we could support. If the door is to be open to all sorts of amendments, and many of them were offered in committee, there is no telling what effect it will have on the bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

(By unanimous consent, Mr. GAVIN was granted 3 additional minutes.)

Mr. HALLECK. My position has been that this legislation containing all the good things that it does contain should be passed and become law. I do not want a lot of amendments put in here that will jeopardize it.

Mr. GAVIN. I understand the gentleman, and I concur if it is cluttered up with a lot of unworkable amendments it will be of no use. If you are going to have a lot of amendments here today, you are going to muddy up this bill.

While I am on my feet, I want to say I am sincerely, earnestly, and greatly interested to help the small farmer. I heard the gentleman from Kansas [Mr. HOPE] this morning talk about corn. He said the corn farmer can grow an unlimited number of acres of corn if he uses it for his own use on his own farm. I wondered why the Committee on Agriculture made an exception with reference to wheat, because the small farmer cannot do that with wheat. He is restricted even though he is growing it for his own use. That is the little farmer that I spoke about the other day, who wanted to be let alone, did not want to be regimented restricted and regulated. I heard the gentleman from Minnesota say that the corn farmer would be restricted and regimented. I was surprised. This little fellow I was talking about grew a few too many acres of wheat and the Government moved in on him. There were 767 of them in my great State of Pennsylvania. Why did you make an exception to allow the corn farmer to grow all the corn he wanted, but the little wheat farmer had to be restricted to 15 acres? Why did you put the little wheat farmer where he could not grow 50 or 75 acres or enough for his own use without getting the Government on his back?

Mr. HOPE. Does the gentleman wish me to reply to his question?

Mr. GAVIN. I do.

Mr. HOPE. Of course, this all goes back to 1938. At that time we enacted the Agricultural Adjustment Act of 1938, and different provisions prevailed with respect to wheat than with respect to corn. In the first place, wheat is under marketing quotas, and at a time when there is an oversupply of wheat the law provides the Secretary may put marketing quotas into effect subject to their being approved by the producers. The wheat producers of this country, by more than a two-thirds vote, have approved marketing quotas for the 1956 crop, so they are now in effect. No producer who produces more than his acreage allotment can market to exceed that amount except when his acreage allotment is less than 15 acres. Then there is an exception made in his case. He can produce and market up to 15 acres.

Mr. GAVIN. That is right.

Mr. HOPE. That does not apply to corn; there are no marketing quotas on corn under the law.

Mr. GAVIN. But the gentleman will agree that an injustice has been done to the small wheat farmer, and if it has been in effect since 1938 it is about time you changed it and gave him a little relief to grow what he wants for his own use without the fear of having the Government move in on him.

As far as the cattle farmer is concerned, if you want to bail him out, all right, but everybody else is going to expect to be bailed out, too, and the result will be an unsatisfactory piece of legislation.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Indiana made a very strong plea here for no amendments and to get the bill through. I want him to know that we on this side of the aisle in the committee did our very best to bring this bill out under those conditions, to get members of the committee on that side to go through and support the bill exactly as first proposed. But then they came along with this gimmick, a political gimmick, to advance payments to the farmers. That will open up the bill and I do not know where it is going if you still insist on making it a political football.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. As I get it, this political gimmick the gentleman is talking about is a device to pay farmers this year for what they promise to do next year, but which the administration did not want them to do last year.

Mr. BASS of Tennessee. That is the point exactly.

Mr. HAYS of Ohio. When the Democrats were in power if we had tried to do anything like that we would have been charged with buying votes, but under this administration the newspapers take the position that it is statesmanship of the highest order. It is rather difficult for a Democrat to become a statesman, let alone a newspaper hero. The newspapers come along now and say this is a heroic thing for the administration to do.

I do not want to disturb my friend the gentleman from Indiana [Mr. HALLECK], over there when it looks like he is about to become a hero, but I may just decide to join you to become somewhat of a minor league hero myself.

Mr. HALLECK. We will try to welcome you in.

Mr. HAYS of Ohio. And that would seem to justify the observation that Mr. Benson is still maintaining his position. There has been a good deal of talk in this administration about principles and things of that sort. Mr. Benson was for flexible supports, but rigid principles. I have, however, about come to the conclusion that what he now wants is flexible principles but rigid supports.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word and rise to speak in support of the amendment.

Mr. Chairman, I do not intend to take the full 5 minutes. The gentleman from Pennsylvania [Mr. GAVIN] who preceded me mentioned something about people who want to be left alone. That is what the livestock producers of this country have consistently wanted, just to be left alone. The trouble is they have not been left alone under price supports and acreage restrictions. Acreage has been diverted from the production of basic crops to the production of livestock. As acreage restrictions have been applied, the numbers of livestock have consistently increased. The fact is that since 1953 when acreage restrictions went into effect on the major basic commodities, acreage diverted to the production of feed grains, exclusive of corn, has gone up about 24 percent, or about 15 million acres.

With the price-support and acreage-control provisions of this bill as to feed grains, exclusive of corn, I can see that it is going to put a further squeeze on the livestock producers, because we are threatening them with subsidized competition from an additional 15 million acres. I join with the gentleman from Oklahoma and congratulate him for offering the amendment, because it is possibly getting down to the ultimate so that we will actually take land out of production instead of just placing it in competition with another segment of our agricultural economy. If that is what the taxpayers want to do, we should get to it in the first instance and not have to pay the bill 3 or 4 times as the land goes from the production of a basic commodity into the production of feed grain, then into the production of something else, and ultimately into the production of livestock.

I am not at all certain that this proposal is a solution to the problem, but at least it provides for a study of a possible solution.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. Can the gentleman tell me whether the amendment offered by the gentleman from Oklahoma, which we are discussing, would affect those lands which are public lands and have been leased for grazing purposes, for private grazing?

Mr. THOMSON of Wyoming. I do not think it would affect the public lands. It would affect only the base lands that are the private lands.

Mr. OLIVER P. BOLTON. In other words, if a feeder or a cattle grower has leased public lands for grazing purposes and agrees to take part of those public lands out of production in accordance with the amendment, will he receive payments under this amendment?

Mr. THOMSON of Wyoming. I do not believe he would as to the public lands under this amendment. That has to be worked out. Here is the way it might be worked out. In his base acreage—that is on his private land where he runs his cattle 9 months out of the year—he would take so many acres out which would have so many animal units carrying capacity on an annual basis. Those would be the only animal units on which he would be reimbursed. There would be no payments on additional animal units computed on the carrying capacity of the public land. Is that correct?

Mr. ALBERT. The gentleman has correctly stated the situation.

Mr. THOMSON of Wyoming. I sincerely hope that the House will support and pass the amendment offered by the gentleman from Oklahoma. If there is anything to be worked out later, there is plenty of time to do it in the other body or in conference. It may be this is not the solution, but it is deserving of this consideration.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma because I am sure that the amendment will help some small farmers get into this program that will not be able to get into it in any other way.

The small, diversified farmer who has meadows or pasture lands he has seeded himself, that he has been using for hay or grazing, can, according to the terms of the bill that came from the committee, retire a portion of that land into the conservation reserve. But if he is located in a country like that of the gentleman from Oklahoma, and God sowed that grass and the farmer is in the cattle-grazing and producing business, he is barred from retiring that kind of land into the conservation soil bank. He does not have to count the heads of cattle he is running on this land.

If I have a pasture, I am usually overgrazing it or have all the cattle on it that it will maintain. If I rent 15 or 20 or 100 or 200 acres of my grazing land to the Federal Government, I will automatically be forced to cut down the number of cattle I produce. If I undertake to keep them on the restricted acreage they will starve to death or have to be sold as canners, which will require me to reduce my cattle number. If I rent the Federal Government a certain amount of acreage of my pasture land and neither graze it or use it for hay, and if I put it in the soil-conservation reserve, that automatically reduces the amount of beef or milk I can produce on my land. That does not have to be

provided for. It comes about automatically.

Mr. Chairman, this is a good amendment, and I hope it will prevail.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], relating to the inclusion of grasslands in this program. I think the gentleman from Oklahoma has studied this out thoroughly. I know both he and I discussed it with a couple of ranchers from Oklahoma, including Mr. Harold Davis, who now lives in his district and who formerly came from mine.

Mr. Chairman, I would like to speak with reference to another matter. I

should like to read a report I received today from the Department of Agriculture as to the surpluses we now have:

APRIL 30, 1956.

Hon. VICTOR WICKERSHAM,
House of Representatives.

DEAR CONGRESSMAN WICKERSHAM: This refers to your letter of April 14, 1956, in which you requested that the table you enclosed, How Long Would Supply of Government Surplus Food Last? be brought up to date.

There is enclosed a copy of the data in table form that has been revised as requested. The quantities reflected under loan and also owned by Commodity Credit Corporation under the price-support program are as of February 29, 1956, which is the latest date the information is available.

Sincerely yours,

MARVIN L. MCLAIN,
Assistant Secretary.

U. S. Department of Agriculture, Commodity Credit Corporation

Quantity of certain commodities pledged for loans and commodities in price support inventory as of Feb. 29, 1956					Estimated domestic disappearance plus gross exports for market year, 1956-57	Months and days CCC stock would last, based on 1956 requirements (assuming no 1956 production and no private stocks)	
Commodity	Unit of measure	Pledged for loans	Owned by CCC	Total quantity		Months	Days
		Thousands	Thousands	Thousands	Thousands		
Corn.....	Bushels.....	369,826	744,619	1,114,445	3,100,000	4	11
Cotton, upland.....	Bales.....	6,582	7,215	13,797	12,800	13	4
Rice.....	Hundredweight.....	15,212	14,771	29,983	55,200	6	19
Wheat.....	Bushels.....	273,271	846,271	1,119,542	925,000	14	23
Butter.....	Pounds.....		114,107	114,107	1,625,000		26
Cheese.....	do.....		309,819	309,819	1,350,000	2	24
Milk, dried, nonfat.....	do.....		119,264	119,264	1,300,000	1	4
Barley.....	Bushels.....	79,272	24,696	103,968	405,000	3	1
Grain sorghum.....	Hundredweight.....	56,716	17,942	74,658	235,000	3	26
Oats.....	Bushels.....	58,533	32,032	90,565	1,525,000		22
Rye.....	do.....	10,988	1,132	12,120	31,000	4	23

1 Figures from Commodity Credit Corporation Report of Financial Condition and Operations as of Feb. 29, 1956

Mr. Chairman, at this point, I should like to read into the RECORD a table which has been supplied to me today by the Commodity Credit Corporation of the Department of Agriculture. This table sets forth the months and days CCC stocks would last, based on 1956 requirements, and assuming that there would be no further 1956 production and no private stocks.

The story this table tells is alarming.

Our surplus production of farm crops is much smaller than most of us have been led to believe.

To take three staple farm products as instances: CCC has enough oats to meet consumption demands for only 22 days; enough butter for 26 days; and enough dried, nonfat milk for a little over 1 month.

This, my friends, was the situation at the close of operations of CCC on February 29, 1956.

What does this table—these incontestable facts—mean to you, to me, and to the people we serve in the House of Representatives?

To me, the meaning is clear. Surpluses are not liabilities; they are assets. The problem for us is not how to get rid of them; but, the problem is how may we best use them.

God, in His infinite wisdom, is taking a great part of that problem out of our hands. A United Press dispatch on April 13, 1956, has this to say:

The Census Bureau estimates that the total United States population, including

Armed Forces overseas, was about 167,181,000 on March 1.

This represents an increase of 16,049,000 or 10.6 percent since the last census April 1, 1950. It is a rise of 2,814,000, or 1.7 percent, from March 1, 1955.

Mr. Chairman, the implication is obvious. The increase in population of nearly 3 million per year will eat deep into any food surplus which we are fortunate enough to possess.

Nor may we forget that grim nature has a way of curtailing production that is beyond the forecasting ability of any group of men, be they legislators, farm experts, or hardworking dirt farmers. Floods, droughts, dust storms, tornadoes, hail storms, and insect pests may devastate farm crops—sometimes at the very day of harvest.

Then, with more than 167 million people dependent on those same crops for their food, what will become of the much-assailed surpluses?

There is not one among us who does not know of some person—an aged citizen; a fellow American deprived of the right to work by accident or disease; an Indian, a ward of our Government—who, if not actually starving, is in need of more wholesome food. These people, who, through no fault of their own, are not eating enough for their physical well-being should be fed from the surpluses which we now have on hand. That would further cut down on the existing CCC stock.

In the present unsettled condition of the world we must always look to the familiar Boy Scout motto and "Be Prepared." Who knows what disaster may strike our friends and allies overseas? Famine may stalk in India. The Netherlands may again be flooded. As a Christian nation we have always stood ready to be a friend in need. We could trade off much of the so-called surplus for strategic materials or items of value. Nor may we forget the threat of war. My heartfelt prayer is that war will never again take the lives of American youths and destroy our hard-won resources. But—if it does come—our farm surpluses will vanish overnight, like snow before the sun.

Last—but not least—the farmer, himself, must be considered. Removing land from gainful production is driving farmers who have the know-how away from the land. If controls are necessary at all, they should not be so severe as to deprive us of this important segment of our population. Certainly, the family farm is the cornerstone of our agriculture production. The least we can do is to give the farmers with the larger families to support additional producing acreage to support them.

Mr. Chairman, more than 4,000 years ago, a great man visualized the problem of surpluses. That great man met the problem of surpluses and solved it.

Permit me to quote a few verses from the Bible. It is the 41st chapter of Genesis, beginning with the 25th verse. Joseph is interpreting the Pharaoh's dream.

And Joseph said unto Pharaoh, The dream of Pharaoh is one: God hath shewed Pharaoh what he is about to do.

The 7 good kine are 7 years; and the 7 good ears are 7 years: the dream is one.

And the 7 thin and ill-favored kine that came up after them are 7 years; and the 7 empty ears blasted with the east wind shall be 7 years of famine.

This is the thing which I have spoken unto Pharaoh: What God is about to do he sheweth unto Pharaoh.

Behold, there come 7 years of great plenty throughout all the land of Egypt:

And there shall arise after them 7 years of famine; and all the plenty shall be forgotten in the land of Egypt; and the famine shall consume the land;

And the plenty shall not be known in the land by reason of that famine following; for it shall be very grievous.

And for that the dream was doubled unto Pharaoh twice; it is because the thing is established by God, and God will shortly bring it to pass.

Now therefore let Pharaoh look out a man discreet and wise, and set him over the land of Egypt.

Let Pharaoh do this, and let him appoint officers over the land, and take up the fifth part of the land of Egypt in the 7 plentiful years.

And let them gather all the food of those good years that come, and lay up corn under the hand of Pharaoh, and let them keep food in the cities.

And that food shall be for store to the land against the 7 years of famine, which shall be in the land of Egypt; that the land perish not through the famine.

Mr. Chairman, the table from the Department of Agriculture which I have recently presented to you shows, beyond the shadow of a doubt, that the concept

of a topheavy surplus of farm crops is an entirely imaginary concept.

The problem before us is—and it will continue to be—not “How shall we get rid of the surpluses we have?” but “How can we best use these surpluses for the advantage of America and the enduring benefit of mankind?”

Mr. FISHER. Mr. Chairman, I strongly support the Albert amendment which could include grazing land in the soil-bank plan. If there is to be a soil-bank plan, it is only proper and right that range land should be included.

That is particularly true in the drought stricken areas of the country. That includes millions of acres which have been scorched by years of dry weather and which are vulnerable to heavy rains and floods.—It is of the highest importance that the top soil be preserved as much as possible, and that can only be accomplished if the land is permitted to be idle, or at least have the grazing reduced substantially.

Moreover, we have an overproduction of cattle in this country and, therefore, the inclusion of grazing land in the soil bank can serve the double purpose of restriction to production of cattle and, at the same time, helping preserve the soil and enable the restoration of grass and other vegetation when the rain does come. There can be no program for soil conservation in the ranch country that will contribute more at this time to sound soil conservation than deferred grazing. I earnestly hope the amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ALBERT].

The question was taken; and on a division (demanded by Mr. HALLECK) there were—ayes 103, noes 66.

So the amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Page 11, line 17, strike out all of lines 17 through 21 and insert:

“(b) Compensation shall be paid to any producer for participating in the acreage reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.”

Mr. COOLEY. Mr. Chairman, I think this is perhaps the most important section which will be in issue here today. The section that I am seeking to amend or change was written in conference. It seems to me that every Member of this Congress owes the people whom he represents the duty to guard the taxpayers' money.

It was originally suggested that we should give to the Secretary \$1.2 billion without any restrictions or limitations and permit him to use that fund just as he determined it should be used. Immediately, as I am sure most of the Members know, it was referred to as a slush fund, that the Secretary would use it for political purposes. And a lot of other things were said. So in conference, the 5 House Members and the 5 Senators sat down to consider the matter and to write into this bill some safeguards. We con-

cluded that the section that appears in the bill now before us was then and there acceptable. It provided that the Secretary should not pay farmers until the Secretary had determined that the farmers had kept faith with the terms of the contract. It seemed to us that that was a reasonable requirement.

The language in the bill itself provides that no compensation shall be paid to any producer until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

What I propose to do by my amendment is to change that section so as to read this way:

Compensation shall be paid to any producer for participating in the acreage-reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage-reduction requirements of such program for such year.

It might appear that that is a very slight change, but it occurs to me that that is a very important change. I believe that we are now actually faced with this situation.

Are we going to have a soil-bank program in 1956 or not? The Secretary of Agriculture has finally accepted the idea of a soil-bank program. He tried to impress its importance upon the people of America. While some of us have misgivings about the effectiveness of such a program, this program was brought to this House free from all partisan politics. No one can say this bill we now have under consideration is the brain child of a Democrat, nor can he say that it is the brain child of a Republican. This bill represents the hard labor of those of us on the conference and those of us on the committee, and when the roll was called and the final vote was taken in the committee, not a single man in either party voted against the bill we now have here. So we can have satisfaction and be happy in the glad thought that at last we have here a bill that, insofar as the House Committee on Agriculture is concerned, has been stripped of all party considerations.

Are we going to have a soil-bank program this year or not? If you want a soil-bank program this year, if Mr. Benson wants a soil-bank program this year, you should vote for this amendment and you should vote down all substitutes.

Under this proposition, if a cotton farmer wants to retire 10 acres of cotton he can announce it next week, and when cotton-planting time is over, which is only a short time away, he can be checked for compliance. When the Secretary through his agents finds that the man has actually reduced his acreage 10 acres, they give him his marketing card to sell his cotton, and they can give him his soil-bank check right then.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. COOLEY was given permission to proceed for 5 additional minutes.)

Mr. COOLEY. That means that the farmer will get these checks in July, August, September, and all through the rest of the year.

I am not willing to admit that the soil-bank program must be postponed until 1957. I am about to believe that Mr. Benson does not want the soil-bank program to go into operation in 1956. If he does, here is his opportunity to do so.

Down in the far South some crops have been planted, but under this provision farmers can plow up those crops, crops that are now in surplus supply, and if we come in here with this advance payment, this installment-payment proposition, that is only proposing to give to the farmer something this year that you are going to take away from him next year.

Do not believe that the farmers are not intelligent enough to know why that is being done. I think they will ask you and me, “Why didn't you provide a soil-bank program for 1956?” You cannot say to them, “Oh, it was too late. The Committee on Agriculture dragged its feet and did not bring the bill to us in time.” Then they will come back to you and tell you your Secretary did not present the bill until the 27th day of February 1956, and even up to now not a single Republican in this House has been willing to become the author of that bill nor to adopt the baby and to take it to his breast and claim it as his own. That is the kind of Secretary that we have. He is still a millstone around your neck and you know it. Now is the time for you to say to him you are the elected Members of the legislative branch of this Government and that you have your responsibility as some of you on your side of the aisle have done.

I have seen great demonstrations of courage in this House during the time I have been here. There are some members of my committee who have grown in stature and power and influence here because they have stood up for their people in their home districts. Here is the soil bank—you propose to give them a partial payment. I am proposing to give them full payment and to give it to them this year—right now—not next January, February or March. If this proposition that I am submitting to this House does not do what I say it will do, I challenge anybody to prove wherein I am wrong. Whoever heard of coming up here proposing to pay a man half of what he is going to earn or what he might earn next year and to take away from him by dilatory tactics and unwarranted delay, the right for him to earn the money—and all of it—in the year 1956. In introducing this, I am not prompted by partisan politics. I respect Mr. Benson as a gentleman and I respect his office and the high position that he holds, but I feel the responsibility to the farmers of America. I believe that if you adopt this amendment and defeat these advance payments the other body will probably take the bill just as it is passed here today and will send it on to the White House and leave the matter in the hands of the Secretary to administer. I cannot for the life of me see why the administration or anyone speaking for the administration would advocate the soil bank as it has been advocated, and then when you come face to face with it, you say, “We will put

it off until next year, but we will give the farmer half of what he would earn in the year 1957."

I have no interest in this proposition which should not also be your own interest. I congratulate the Republican members of my committee for rising above the passions of partisan politics and standing up like statesmen and voting for something they know is right. There was not a single effort in the committee by any member on either side to play politics. This is no time for petty purposes. This is no time for petty politics. It is the time, I think, that challenges our very finest virtues and patriotism. I ask you to vote for my amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. HOPE as a substitute for the amendment offered by Mr. COOLEY: On page 11, line 17, after the word "No", insert "Final."

Mr. HOPE. Mr. Chairman, I have listened with interest to what has been said to you by the distinguished chairman of our committee, the gentleman from North Carolina [Mr. COOLEY] with respect to his amendment. His amendment is an effort to avoid voting upon the question of whether or not there will be prepayment under this program. If I understood him correctly, he would have you believe that unless his amendment is adopted there is no way that there could be a 1956 soil-bank program. But the adoption of his amendment will have no effect whatsoever upon the question of whether there will be a 1956 program, because the language in the bill itself in section 103, and in other sections, definitely provides for a program for 1956 by saying the Secretary of Agriculture is authorized and directed to formulate and carry out an acreage reserve program for 1956, 1957, 1958, and 1959 on crops of wheat, cotton, and certain other crops. So that there is no question at all but what the program is authorized for 1956, and the language which has been offered by the gentleman from North Carolina [Mr. COOLEY] makes no difference one way or another. But, more than that, let me call your attention to the language on page 4, line 21, which reads:

Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary.

What does that mean? That means that in the case of any crop eligible to come under this program, which has already been planted, if we enact this legislation the farmer can plow it up or clip it or mow it or prevent the crop

from coming to maturity, and collect his 1956 payments. So you could not ask for or you could not get any more authority than is already contained in this legislation with respect to payments for 1956.

The purpose of my substitute amendment is preliminary to an amendment which I expect to offer a little later on, as soon as I can be recognized after this amendment is disposed of. My amendment is to subsection (b) on page 11. It inserts the word "final" in the first line so that as amended, the subsection would read as follows:

No final compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

If you put that word "final" in there, that will make it in order for me to offer the other amendment later, which will provide for prepayments.

I would like to read the amendment that I intend to offer to provide for prepayments, but I will not discuss it at any great length at this time. The amendment is as follows:

On page 25, line 2, after "116 (a)"—

That is merely a clarifying provision.

Then on line 8, after the end of the section, insert a new subsection, as follows:

(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation reserve program.

An effort has been made here to lead you to believe that this is purely a political provision with the design of paying out money without any insurance that the program will be carried out or that the soil-bank program will go into operation. Let me call your attention to the fact that practically anyone who goes into the soil-bank program is going to be put to some initial expense. If a man goes into the conservation reserve he is going to be required to plant legumes or soil-building crops, or plant trees, or carry out some operation which would require him to cultivate the soil, purchase seed, fertilizer possibly, and in addition to that in all probability would be required to build fences, because he cannot permit this land to be grazed; he will have to fence it out of his other farm operations.

Is there anything wrong after a man has signed a contract in permitting him to receive a payment which will compensate him for at least part of those expenses he will incur before it is possible for him to receive full payment?

It is necessary in a situation of that kind for the farmer to spend money. He may have it; if he does he probably will not make application for advance pay-

ment. He may be able to borrow it, and in that case he may not make application for advance payment, but why should he pay interest if he is entitled to an advance payment after he signs the contract; and, of course, he cannot receive any advance payment until he does sign a contract.

That is certainly not an unusual situation as far as ordinary business transactions are concerned. Many business contracts have a provision for a first payment when the contract is signed.

It may be felt that perhaps the Government is in danger of losing some of the payments that may be made, but the experience of the Government so far has not indicated that, and there are ways by which the Federal Government can collect from the farmers themselves even without a suit in many cases if they have been paid and do not follow it up with performance. That recourse is found under those provisions of law which allow the Government to offset any indebtedness which the farmer owes the Government, and in most cases since the farmers who go into this program are producers of the basic crops they will be farmers who have the right to obtain loans. They will have the right to ACP payments, and in most cases there will be ample opportunity in my opinion for the Government to offset any losses, should any occur. I do not expect that many will occur, because I do not think many farmers would sign a contract and not go ahead and carry it out; nor do I believe there are many Members of the House who believe that these defaults will happen.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the chairman of the committee.

Mr. COOLEY. I would like to ask my friend from Kansas what objection he has to the amendment I offered which makes it perfectly clear that we intend that the Secretary shall pay to the producers for participating in the program in 1956, if indeed they do participate and comply? I would like for the gentleman to say whether or not he sees anything bad about this proposition. If the gentleman is correct in saying that the Secretary may pay under the soil-bank program in 1956, this only provides that he shall do it and shall pay the money after the producer has complied with the reduction in acreage stipulated in his contract.

I know that the gentleman's amendment goes further and will make my amendment ineffective, if adopted. Then the soil bank will be in doubt in the future. We will not know whether it is going to be put in or not. No farmer will be able to say whether he will cooperate with the program. I would like to have an outright vote on the advance or prepayment proposition. If the gentleman could withdraw his amendment now pending and let my amendment be adopted, it would be in the bill in lieu of subsection (b), then we can discuss the merits of the prepayment proposition and that alone.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

(Mr. HOPE (at the request of Mr. COOLEY) was allowed to proceed for 6 additional minutes.)

Mr. HOPE. The point I am making in connection with the gentleman's amendment is that it was apparently offered on the theory it is necessary in order to insure a soil-bank program for this year. It is not necessary because there is ample authority in the law right now, not only for farmers who plant crops after this time but for farmers who have planted crops previous to this time. I am sure the gentleman knows that the Secretary of Agriculture is anxious to start this program, the President is anxious to start it, and there is no doubt at all but what it will pass in time permitting the program to go into effect in 1956. It will go into effect, therefore there is no need for the gentleman's amendment. I think my amendment is very necessary and very important so that if we adopt the prepayment provision there will not be a conflict of language in the bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Indiana.

Mr. HALLECK. In specific response to the gentleman from North Carolina, I would say there is not anything bad about his amendment. The trouble with his amendment is there is not anything good about it. The substitute offered by the gentleman from Kansas would fit in with the pattern for advance payments that the gentleman contemplates offering. I will demonstrate to the gentleman that his amendment does nothing more than change a few words. If Members have a copy of the bill, it is in the negative. It says:

No compensation shall be paid until there is compliance.

He just simply changes it to the affirmative and says:

Compensation shall be paid when there is proof of compliance.

You use the word "until" in the negative and you use the word "when" in the affirmative. It does not make any difference at all. It does not change the accomplishment of the language in any particular. It is fiction and not fact. It is the difference between tweedle-dee and tweedle-dum. Maybe it is calculated to confuse some people as to its effect, but I do not believe it will confuse anybody. If you will refer to page 11 and look at subsection (b) I think you will have to agree with me that when you say "No compensation shall be paid until" it is no different from saying "Compensation shall be paid when" because both depend on the accomplishment of the acreage-reduction requirement, which is not advance payments. So I say with reference to the gentleman's amendment standing by itself, there is nothing bad about it and there is nothing good about it because it does not change the effect of the language in any single particular.

Mr. COOLEY. Mr. Chairman, I would like to say I was prompted to offer this amendment by the fact that it has been clearly indicated on the radio that the President in advocating this advance payment program was looking forward

to starting the soil bank in 1957. There is not any argument between me and the gentleman from Indiana about the language and the effect of the amendment of mine. There is not any argument between me and my beloved friend from Kansas with regard to the fact that in the bill the Secretary does and will have authority to put the soil bank into operation in 1956. My amendment will say in effect that compensation shall be paid in 1956 if the man complies.

I just want to emphasize the fact that there is no argument between me and the gentleman from Kansas [Mr. HOPE] about the proposition that the soil-bank provision is in the bill regardless of whether my amendment is adopted or not. But, I did want to offer this amendment to make it perfectly clear that the House wanted the Secretary to put it into operation in 1956. Now, if the Secretary cannot put it into operation, I assume that he will say so. My amendment is perfectly harmless, but it will make it clear that we want him to do it if he can and if he does we want the farmers to receive their payments in 1956. Now, that is where we stand.

Mr. HOPE. Mr. Chairman, I hope that the committee will adopt the amendment which I have offered as a substitute which, if adopted, will then make it possible without conflict to adopt the provisions of the prepayment amendment that I expect to offer at an appropriate time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope I can point out why it is necessary to put the Cooley amendment in this bill. If you will refer to the bill, you will find that the Cooley amendment relates to section (b) on page 11 and specifically says in positive words that the Secretary shall make payment in 1956 for compliance with the soil bank provisions this year, and that that payment shall be made as soon as compliance is determined. Compliance is ordinarily determined along in July and August. We now have to go through with the procedure of compliance. You cannot now sell your allotted crops until you have shown compliance.

Now, if you will look over on page 25 of the bill, you will find there is another section, section 116, which section has not been amended. The gentleman from Kansas assumed that it was going to be amended sometime in the future, but it has not been amended, and section 116 provides that "Subject to the provisions of section 105," and that is the section to which the Cooley amendment relates. This section 116 provides that the claimant must certify that he has complied not with the acreage requirements but with all requirements for such payment: "That he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true."

Now, to comply with all of the requirements, you have got to let the full term of the contract expire before making any payments because the contract provides that there shall not be any use of the land during that period

of time. Consequently, the Secretary cannot, under the terms of section 116, make payments contemplated in section 105 unless you amend section 105. He can then do it, because section 116 is predicated on section 105 and says "Subject to the provisions of section 105." Consequently, you would require the Cooley amendment in order to make applicable the things in section 116 that the gentleman from Kansas assumed would be taken care of at some future date but which have not been taken care of and are taken care of by the Cooley amendment.

Now, I know the gentleman from New Mexico is asking me to yield and I want to yield to him, but first I want to commend the gentleman from Oklahoma [Mr. EDMONDSON], because I want to say in all fairness that the gentleman from Oklahoma more than any other Member in this House had to do with the shaping of this proposal, and I think he has offered some very constructive thinking on an important plan.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It seems to me that the Hope amendment, the one-word amendment we are now discussing, inferentially gives the right to the Secretary to make advance payments even without the subsequent amendment.

Mr. POAGE. Frankly, I do not see anything to the Hope amendment, with all of my high regard for the distinguished colleague from Kansas, except simply, as the gentleman from Indiana says, adding a little further confusion to an already confused situation. I think the whole purpose of it was simply to try to get the thinking of the House away from the importance of the Cooley amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I appreciate the kind remarks the gentleman has made with regard to the small part I had in this particular section. May I ask the gentleman this question? Can you not boil down the difference between the Hope amendment and the Cooley amendment, considering the provisions of this bill as a whole, to this simple fact? If you are for an effective and operating soil bank that will put 100-percent payments into the pockets of the farmers in 1956 you will be for the Cooley amendment and against the Hope substitute.

Mr. POAGE. Exactly. There would never have been any Cooley amendment had there not been a great deal of movement on this side of the aisle suggesting that we had to go and grab some money from next year to pay out before the 6th day of November this year. Had those maneuvers not started nobody would have supposed that the Secretary was even thinking of not using the authority already in the bill. But after they raised the doubt—and I must say the gentleman did a very excellent piece of work of raising the doubt in the minds

of the newspapers and the public of the United States, as to whether the Secretary actually had any authority to do anything this year—after they raised the doubt, there was nothing we could do but try to answer it, we are now simply trying to clear up that doubt.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it has been evident as we have gone along today on what certainly has been something of an explosive issue around here for a number of weeks, if not months, that we have fairly well avoided politics and I think have been operating in good fashion to bring to passage some sound farm legislation.

I do not want by what I say here to do anything that would get this matter into the area or the realm of politics. I think all of us have recognized from the beginning, from the opening of this session in January, that the farm price situation, the cost-price squeeze of the farmer was probably the softest spot in our economy. We recognized that the farmer was not sharing in what for most areas has been a high degree of prosperity. So we wanted to do something about it. And generally speaking, the things we sought to do first involved some relief this year because of the urgency and immediacy of the situation.

Then we sought to deal secondly with what might be described as the long-range parts of the program, with proposals that would attack the fundamental difficulties that beset us. And certainly the soil bank is one of those.

Now I want the amendment of Mr. HOPE to be adopted. I am not supporting it with tongue in cheek. I am for it because I think it will be good for the farmers this year. In contemplation of it, without casting any blame on anyone—some can say the administration was too slow and the Department was too slow, and others might say that Congress was too slow—but I think this plain fact yet remains, that we have progressed so far into the crop year of 1956 that the opportunity is pretty much gone for a farmer to come into the soil-bank plan and get along so far as to establish compliance so that he can be paid under Mr. COOLEY's amendment or the bill as it is written. When that fact became apparent it was suggested, why not then arrange for certain advance payments to be made to the farmer after he enters into his contract and as he begins performance of his contract with the Government?

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question?

Mr. HALLECK. I yield to the gentleman.

Mr. EDMONDSON. I would like to have the gentleman explain to me, if he can, how a tenant farmer or a renter from year to year could legally contract with the Government for the retirement of acreage in the next year, beyond the time of his rental contract, to qualify under this acreage reserve program.

Mr. HALLECK. I take it that if he was not qualified to contract he could not come in under the soil bank anyway.

But I am sure he can come in. If he was qualified to contract, that contract becomes binding upon him and likewise upon the Government, and as he performs on that contract he could receive program or advance payments.

This is the simple proposition we are down to, and the adoption of the Cooley amendment does not change it. Do you want to go along with a plan that I say is sound and make possible some advance or progress payments to farmers this year or not? Here is a contract by the Government with the citizen under which the citizen agrees to do certain things. From the time he signs that contract he is obligated to pursue the provisions of the contract, and, as the gentleman from Kansas so well pointed out, immediately in connection with these contracts he is going to begin to spend money in performance of the contract. It is going to cost him money. The amendment that will hereafter be offered by the gentleman from Kansas is simply an effort to tie the advance payments in with the expenditures of money that the farmer will begin to make under his contract with the Government.

Is there anything strange about that? Contractors with the Government start getting paid as their work progresses. The final payment is held up until the whole contract is completed. When the contract is completed they get final payment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. HALLECK was given permission to proceed for 5 additional minutes.)

Mr. HALLECK. The subsequent amendment will make it possible for the Government, the farmer having contracted, having entered upon the improvement of his land, with the expenditures necessary to comply with this contract, to say to the farmer, "We shall pay you as you go along an advance payment up to 50 percent. Then, of course, the remaining 50 percent will not be paid to you until you have completed your contract and performed in compliance with your contract as contemplated in the legislation."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman is now discussing the next amendment to be offered by the gentleman from Kansas [Mr. HOPE].

Mr. HALLECK. That is right.

Mr. COOLEY. I was just going to suggest that it might be well if we agree that Mr. HOPE shall by unanimous consent for the moment withdraw this pending amendment so that we can vote on the question the gentleman is now discussing, with the understanding that we shall return to this section if the HOPE amendment is adopted. It would seem to me that would make it so clear. Here is confusion. Let me withdraw my amendment and Mr. HOPE withdraw his amendment, and let the matter be in abeyance until we vote on his pre-

payment amendment, and then we can come back to this amendment.

I have no love for my amendment. I was offering it in the hope that I might be helpful. I agree with the gentleman that it may be tweedledee and tweedledum that we are raising a lot of rumpus about, anyway.

Mr. HALLECK. I realize that. Actually, may I say to the gentleman from Kansas [Mr. HOPE] I was seeking recognition on the subsequent amendment to be offered at the time the gentleman from North Carolina claimed the floor.

Mr. COOLEY. I had not been advised of that.

Mr. HALLECK. Certainly, as far as I am concerned, I want to expedite the situation, but I think, since we have gone this far with these two amendments, the gentleman's amendment and the substitute, we might as well dispose of them. I do not know whether it is going to make any difference how anyone votes on this subsequent amendment as to what happens here now, but as a matter of orderly procedure, may I say to the gentleman from North Carolina again, and in all humility, I do not think his amendment changes this section one single bit. It just switches it from the negative to the affirmative, and the conditions are still there. It would not enable anybody to get any more money in 1956 than he would get under the language as presently written.

On the other hand, the amendment offered by the gentleman from Kansas as a substitute is the orderly procedure because there should not be a prohibition here against paying a man an advance payment and then subsequently writing in a provision for making an advance payment.

Mr. Chairman, I would like to say just another thing or two in connection with this whole matter at this time. It should be understood that the amendment subsequently to be offered by the gentleman from Kansas is not merely for 50 percent advance payment on what is done in 1956—it continues as long as the legislation continues. It would provide for advance payments in 1956 as contracts are entered into in 1956 to be finally completed in 1957. It would provide for advance payments in 1957 for contracts to be completed in 1958. It recognizes a continuing responsibility on the part of the Government and certainly a desirability from the standpoint of the individual as against the Government that once he enters into a contract and begins performance and begins paying his money, then the Government in all equity should say to him, "All right, we are going to make percentage payments to you as you go along." There have been several suggestions that this might open the door to widespread fraud on the Government. I have seen enough of farmers and enough of their actions in respect to their obligations to the Government that I am not going to indict the farmers of this country by saying to them, "We are afraid to trust you with these advance payments. We think you have a right to have them as you begin to spend your money to perform the contract, but we are not going to trust you

because we are afraid you will run out on the contract." I do not think the farmers operate that way. Actually and likewise, as the gentleman from Kansas pointed out, we have quite a number of farmers in debt—young GI's who started out. They have obligations to meet. Where are they going to get the money to build the fences to fence in the land that is going to the soil bank? Where are they going to get the money to buy the seed to comply with their contracts? Where are they going to get the money to buy the gasoline to operate the machinery? Mr. Chairman, I just want to make this final statement. The provision offered by the gentleman from Kansas will provide the money that the little farmers—the farmers generally need in the performance of their contract.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I would like to suggest I very sincerely believe that if the House will agree for me to withdraw my amendment and for the gentleman from Kansas [Mr. HOPE] to withdraw his substitute amendment, then we can then consider the Hope amendment which contemplates prepayments. And, in the event that that amendment is adopted, I think I would have no objection to just abandoning my amendment and accepting Mr. HOPE's amendment.

Here is where we are. We are discussing the very important prepayment proposition which is not even before us at the moment. If we can get this pending amendment out of the way, we can come to the prepayment amendment. We could settle it and then pick this up. I would then have to accept Mr. HOPE's amendment and would withdraw mine. I did not know and I had not been advised that Mr. HOPE intended to introduce this amendment at the time he was on his feet when I was recognized. I do not see how anybody could object to this procedure because it makes it crystal clear what we are doing.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. Do I understand that what the gentleman wants to do now is that the gentleman from Kansas [Mr. HOPE] withdraw his substitute amendment and the gentleman from North Carolina will withdraw his amendment?

Mr. COOLEY. That is right. Then the gentleman from Kansas could introduce his prepayment amendment.

Mr. HALLECK. Do you see any possibility of misinterpretation in that language which is a prohibition in subsection (b) which says no compensation shall be paid until there is compliance. Obviously, the amendment that Mr. HOPE will offer contemplates payments before the matter of compliance is reached. If his amendment has these words "notwithstanding any other provision of law"—my only thought about it is that it is just a little awkward to have what would seem to be a prohibition and which I think is a prohibition, and then subsequently provide for an arrangement un-

der which that prohibition would not apply.

Mr. COOLEY. If the gentleman will permit me to proceed for a second—if the prepayment amendment prevails, certainly, I am not going to take advantage of any technical language in the bill. We will correct the bill so as to fully recognize the proposition.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment for the time being.

Mr. HOPE. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to withdraw the substitute which I offered to the gentleman's amendment.

The CHAIRMAN. Without objection, both amendments are withdrawn.

There was no objection.

Mr. HOPE. Mr. Chairman, I offer an amendment, which I have sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOPE:

Page 25, line 2, after "116", insert "(a)."

Line 8, after end of section, insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

The CHAIRMAN. The gentleman from Kansas is recognized in support of his amendment.

Mr. HOPE. Mr. Chairman, this matter has already been discussed to some extent. I want to take the few minutes I have at my disposal to point out that this amendment does not contemplate a great lot of payments in 1956 on 1957 crops, or anything of that sort. I know the statement has been going around that there will be payments a year in advance, and all that kind of thing. Perhaps it would be possible under this amendment for some farmer who is going to put out a spring crop next year to make an agreement during this year by which he would agree to take some of his acreage out of production in 1957. That might happen. He might want to put legumes in it this fall; he might want to fence it. He might want to plow it. In any event, he would be required to make some commitments and some expenditures for which he certainly would be entitled to be reimbursed if he had signed a contract.

Of course, there will be fall crops planted, such as wheat and winter barley and winter oats. In that event, certainly if the farmer lays out his land, fences it off, and takes it out of production, he is entitled under those circumstances to receive payments. But it is not out of the way for him to receive advance payments for doing that. Instead of incurring an indebtedness or using funds

which he badly needs for other purposes he can have these advance payments.

I have been speaking of the acreage reserve. I think it is even more likely in the case of the conservation reserve that the farmer would find it to his advantage to receive prepayments.

With respect to lands which might go into the conservation reserve a farmer might decide to plant trees this fall. That would require quite an investment not only in the purchase of nursery stock but also in the preparation of the land for that purpose and fencing it as well as other expenses. He might want to plant a legume crop this fall on his conservation reserve, and certainly he would incur a considerable amount of expense before he could possibly be said to have complied so that he could receive a full payment.

There may be certain cases where the farmer wants to carry out conservation practices on his land where there may be several practices necessary and as one is completed there is no reason why he should not receive payment for that practice, and as another is completed he could receive payment for that practice. So there is no reason that I can see why anyone should be fearful; and I am rather surprised that there exists apprehension that these advance payments will be made in anything other than a straightforward way or for other than legitimate purposes.

The fact is if this program should be used in a political way it would defeat that purpose. The farmers of this country are not for sale, and if they get the least idea that a program of this nature is going to be used for political purposes then it would certainly rebound to the discredit of the political party that happened to be in power at that time.

Mr. EDMONDSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we will make one of the greatest mistakes we ever made if we really want a soil bank, an effective soil bank in 1956, if we adopt the amendment offered by the gentleman from Kansas.

One of the things we are going to do immediately is create a discrimination against a large group of farmers who are farming from year to year, the tenant farmer or the renter renting from year to year. Legally he could not enter into a contract with the Government as to what was going to be done with that land the next year. I call this to the attention of the gentleman from Indiana as a practical matter: If you have a contract for the use of land for 1 year you cannot contract for what is going to be done with that land the following year.

Just what is the answer to that under this advance payment contract I do not know. I do know however that this plan is not fair to the tenant farmer, it is not fair to the renter who has a 1-year contract, and most of our contracts in my part of the country for renters or tenant farmers are 1-year contracts; and I believe that is so in most sections of the country.

Mr. ARENDS. If the gentleman will yield I may be able to provide him part

of the answer. Out in our part of the country the landlord and tenant must enter into agreement as to whether or not they want to go into the soil bank program. If the landlord wants to go into the program, the tenant goes in. If the tenant wants to go in and the landlord does not, neither will go in. It gets down to the proposition that the tenant either wants to farm the land the way the landlord wants it operated or he will look for another farm to rent. Good tenants have no difficulty in reaching agreement with their landlords as to the best thing to do.

Mr. EDMONDSON. Mr. Chairman, I decline to yield further as to that particular point, because the gentleman is stating a situation which is no answer to the argument that the Hope amendment is unfair to the tenant farmer and the renter on a 1-year contract.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I am very much concerned about this particular matter. There are perhaps 100,000 farm tenants in the district that I represent, and this provision would bar them from participation in the program in 1957. We have a provision in the bill before us that requires an equitable sharing as between the tenant and the landlord in any type of soil-bank payments. But tenants never contract beyond 1 year with the landlord for the use of the land. If the landlord gets advance payments he can comply only through the cooperation of the tenant. There is no way in the world to work the thing out where the tenants would get a fair assurance of proper treatment, and there is no way for it to be worked out where the landlord could be assured of having his compliance.

Mr. EDMONDSON. The gentleman from Indiana raised a point to the effect that we have progressed so far into the 1956 crop year that the opportunity to comply has passed. That is inconsistent with the statements that have been made on the other side that it will be possible to get the 1956 program going.

This morning I called one of the top agricultural people of the Oklahoma A. and M. College with regard to planting in our section, which is a fairly central part of the United States. He said they are beginning to plant cotton down in the southern part of the State of Oklahoma, that while wheat has been planted there are many wheat farmers who could and would participate in this program by returning a certain portion of the acreage. He said as to corn most of it has been planted, and there would be many who could comply. Peanuts are not planted as yet in Oklahoma nor in many other parts of the United States. There are many farmers who would welcome the opportunity to participate in this program in 1956 in order to get 100-percent payment, but they cannot get a 100-percent payment unless we do adopt the Cooley amendment, unless we go back to the amendment which Mr. Cooley has indicated he will go back to and offer again if we defeat the Hope amendment.

I say, let us defeat the Hope amendment for prepayment. Let us stay on a responsible fiscal basis with this program. Let us have the farmer do something for what he is paid by his Government in the form of these compensation payments. Let us get our surplus reductions in effect this year. Everyone has been talking about the need for a reduction of these surpluses now by a soil bank. If we adopt the Hope amendment, you will not get anything to reduce your surplus now. You will not get a soil bank in 1956, you will not have the Government getting anything for the money which it pays out to the farmers this year, except by a contract, which many of them as tenant farmers cannot legally enter into for the following year. You will not have a return on your Government investment, you will not have any opportunity under the program offered by the gentleman from Kansas to get a 100-percent payment by the farmer in this year, 1956.

Let us defeat the Hope amendment and go back to the Cooley amendment in order to have a workable soil bank in 1956.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, with 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I just want to suggest that I do not see why a farmer in Oklahoma, for example, in view of the fact that under this amendment he can be paid this year for what he promises to do next year, would limit his planting this year. I think it defeats the very purpose that we are planning to effectuate here. If a farmer is ready to plant this year and he can get paid this year for not planting next year, he has no incentive for not planting this year. In other words, why do today what you can do tomorrow and get paid for today.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Illinois.

Mr. MASON. I just want to serve notice on the House that I shall object to any extensions of time and any transfers of time from now on.

Mr. FERNANDEZ. That suits me very well.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from New York.

Mr. KEATING. The thing that I do not understand about the gentleman's position is this, that under the Hope amendment, as I understand it, there is not anything in the world to prevent this applying to the 1956 crop. Indeed, the amendment is intended to apply to the 1956 crop.

Mr. FERNANDEZ. I did not take a position. I was asking for information. I was asking why a farmer should limit his planting this year when he can get paid now for a promise to do it next year.

Mr. KEATING. He would have to limit it this year in order to get paid for this year.

Mr. FERNANDEZ. Not necessarily. Under the Hope amendment, he could promise to do it next year, plant his crop this year, and get both.

Mr. KEATING. He would naturally want to get paid for both years' crops if he qualified for it.

Mr. FERNANDEZ. I thank the gentleman for trying to answer my query.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I trust you will adopt the Hope amendment. I think it is important, and it can be of immeasurable value to a lot of farmers throughout the country, particularly in the corn area. Out in the Midwest area we will plant corn up to the 10th, 15th, or 20th of May. Let us assume I call up my renter and say "Let us get into this soil bank program. I think it is good; I think it can be advantageous to us." And, we do go into the program. What is the matter with giving him—the tenant—a part of this money when we make a contract? The county committees can very easily determine and find out whether he has a valid contract and has lived up to its provisions. Suppose the total involved is 20 acres. I say to my tenant "Let us start fertilizing. You are going to pay for half of the fertilizer, and I am going to pay for half of the fertilizer," and by that method we will start building up those 20 acres as the soil bank intends we should do. We will be participants in the soil bank plan for 1956. Today we are saying that we want to help the farmer, and get yet some would deny him part of the funds from the contract in order to further prepare for his future programs. We are both in this thing together, landlord and tenant, and what is good for the tenant is good for the landlord and vice versa. And, it will help him start his soil bank participation, and I see no valid reason why it could not be done.

Mr. JONES of Missouri. Will the gentleman yield?

Mr. ARENDS. I yield.

Mr. JONES of Missouri. Does not the gentleman know that what he is proposing to do is included in this bill under paragraph (b), which is left in the bill? He will get all his money this year without the Hope amendment.

Mr. ARENDS. Why wrangle about it? Why not let him get the prepayment immediately, so that he can go out and buy the fertilizer and buy the seed, and whatever he needs to further prepare his idle acres for the future.

Mr. JONES of Missouri. What the gentleman is talking about the farmer can get without that amendment. It is already in the bill.

Mr. ARENDS. Does the gentleman mean that he can get the money when he makes the contract?

Mr. JONES of Missouri. When he complies and takes the land out of production.

Mr. ARENDS. He will not be able to show compliance until the county committee checks. Let us tell him that he can have the money, that he has signed the contract in good faith and then he will be able to go right ahead.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. ARENDS] has expired.

The Chair recognizes the gentleman from Ohio [Mr. HAYS] for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Kansas [Mr. HOPE].

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio as an amendment to the amendment offered by Mr. HOPE: "Provided, That all payments made pursuant to this act in the calendar year 1956 shall be reported to the Clerk of the House of Representatives upon the same dates and in the same manner as other political contributions or political expenditures are required to be reported under the provision of title 2, section 242 of the United States Code."

Mr. HALLECK. Mr. Chairman, I make a point of order against the amendment that it is not germane to the pending amendment and is not germane to any provision of the bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. HAYS of Ohio. Mr. Chairman, I do.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, this amendment is germane certainly because it has to do with the money that they are proposing to prepay. Under a previous administration there was a proposal made one time to pay the farmer directly for participating in a program. That was socialism. But if you pay him directly for not participating, under this amendment that is statesmanship. If we are going to be statesmen, I think we ought to have a little check on it and I think the public ought to know. If anybody is so kind as to contribute to my campaign that has to be listed, and everybody knows about it. If there are to be political contributions made, called prepayments, and that is what this boils down to, the public ought to know that. I say the amendment is germane because it has to do with reporting amounts of money to be paid under this bill and to whom they are paid.

The CHAIRMAN. The Chair is ready to rule.

It occurs to the Chair that the amendment simply provides that any payments made shall be reported to the Clerk of the House. The amendment to which the amendment is proposed is an amendment providing for and authorizing payments to be made. On the question of germaneness it seems to the Chair that the amendment would be germane and the point of order is overruled.

The gentleman from Ohio [Mr. HAYS] is recognized for 2¼ minutes.

Mr. MARTIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN. Has not the gentleman from Ohio already used his 2¼ minutes?

The CHAIRMAN. The Chair will state that the gentleman from Ohio [Mr. HAYS] was addressing himself to a point of order that had been raised against his amendment.

The gentleman from Ohio is recognized for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, if the distinguished minority leader will pay careful attention, I shall try to convince him why he should vote for the amendment. Before this I was trying to convince the Chair that the amendment was germane.

Mr. MARTIN. Does the gentleman know whether Governor Lausche is for it?

Mr. HAYS of Ohio. I do not know whether he is for it or not. My guess would be, if he knew about it, and he knew that I had offered it, he would probably be against it, because he has a suspicion, somehow or other, that I do not think he has been a very good governor. And if there is any doubt in anybody's mind as to how I feel about that, I think it can be easily dispelled.

Now that we have disposed of that question, let us go back to the amendment. I think the amendment is a good amendment, because there is no question in anybody's mind on this floor, and in the mind of a very few in the country, about what this prepayment is. It is an attempt to do something political at the last minute because of the fact that reports have come in from a couple of primaries that have been disturbing to Mr. Benson. As a matter of fact, I proposed 2 years ago that we do something about a soil bank, and as recently as 6 months ago Mr. Benson sent word up here that a soil bank was no good and would not work.

I was not kidding a little bit ago when I said there has been a lot in the newspapers about principles. Last year Mr. Benson was for rigid principles and flexible supports, but this year he is for flexible principles and rigid supports. If that is the case, I think we ought to have a little safeguard by letting the public know who gets the money and where it goes. If I comply and get any of it, and I hope I can comply on my farm, I will be glad to tell how much I got, and when.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY], to close the debate.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Texas, the Speaker of the House [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I have great respect for the gentleman from Kansas [Mr. HOPE], as I know everyone in this House does. I have been around here a long time. I have watched legislation in this House and I have handled a great many bills in this House. I always tried to know what my bill meant or what any amendments to it meant.

They claimed when this bill came back from the other body it was muddled. If I had to describe the amendment offered by the gentleman from Kansas I would

be compelled to say that it is a muddling amendment. If I were strictly playing politics, as I fear some gentlemen on the floor today are doing, I would want to see the Hope amendment adopted, because I think in its administration it will make more farmers mad than any other provision that you could put in any bill. That is because they are going to be talked to, contracts are going to be offered to them, they are going to have to wait and see, and somebody will come back to them next week or next month asking if they have made up their minds.

It appears to me as good legislating, and knowing what we are talking about, if we vote down the Hope amendment and go back and adopt the amendment originally offered by the gentleman from North Carolina [Mr. COOLEY]. We would know what we are about. I do not know what we are about in this Hope amendment.

More than that, there are a great many more tenant farmers in this country than there are farm owners. In my country the tenant farmer would have no chance whatsoever to engage in this program because he rents a farm for a year. He rents it from January to January. He does not move until January. When is he going to come in on this program? He will not come into it at all. You might just as well understand that right now when you vote for this amendment.

In the name of good legislation and doing things that we understand, I would ask this House in the name of good legislation and knowing what we are doing to vote down this Hope amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. HAYS] to the amendment offered by the gentleman from Kansas [Mr. HOPE].

The question was taken; and on a division (demanded by Mr. NICHOLSON) there were—ayes 102, noes 125.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE].

Mr. MARTIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. COOLEY and Mr. HOPE.

The Committee divided; and the tellers reported that there were—ayes 157, noes 181.

So the amendment was rejected.

Mr. COOLEY. Mr. Chairman, I reoffer my amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 11, line 17, strike out all of lines 17 to 21 and insert:

"(b) Compensation shall be paid to any producer for participating in the agricultural reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year."

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes in support of his amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Chairman, I wish to rise and speak in support of section 203 of the farm bill now before the House. This section would specifically authorize the President to negotiate agreements with foreign countries to limit the importation into the United States, products of agricultural commodities such as textiles. This provision was included in the earlier farm bill adopted by Congress, but vetoed by the President, and I greatly hope that this section 203 will be adopted again today. I cannot overemphasize the importance of this provision to the future of the United States textile industry.

The textile industry, including the manufacture of apparel, is America's No. 1 industry. It employs an average of 2.3 million persons, accounting for 14 percent of total manufacturing employment in the United States. The magnitude of this industry, which, with its directly related allied activities, accounts for 1 out of every 6 jobs in American manufacturing, demands our attention. Its economic health is important to everyone. And, unfortunately, the economic stability of this industry is being seriously jeopardized by the tremendous increase in cotton textiles, largely from Japan, which resulted from the 1955 tariff cuts. If action is not taken soon to give some relief to our own textile industry, we may soon find that through excessively low tariffs and lack of prudence we will have rendered useless our own textile industry. And there are many persons who hold that in times of national emergency the textile industry is second only to the steel industry in importance.

There is a very good reason why the textile industry alone cannot withstand the present deluge of cheap Japanese textiles now inundating the American market. The answer is cheap labor. We are proud of the American worker's high standard of living. Just last year, and at the President's request, this Congress voted for an increase in the minimum wage. But need I point out we will be doing American labor little good if we vote to increase the minimum wage and then allow their jobs to be taken away from them by cheap foreign labor. The average hourly wage rate in a United States cotton textile mill is \$1.30. In Japan the hourly wage rate is only 13.6 cents. This is one-tenth of the United States cost. This is why the Japanese textiles can absorb tariff rates and still undersell our domestic market. Japan also has new postwar textile machinery. It has the technical know-how. In fact our own American textile industry has willingly participated in the Government's point 4 program to share our technical knowledge with many underdeveloped countries abroad. And this is how the Government is going to repay our own industry—by letting an influx of imports destroy our own economy?

It is the cheap-labor factor which tips the equation balance in favor of Japan. And this situation can only be remedied by the Government keeping the Japanese imports at a reasonable level.

The textile industry has, already sought relief from the Government but to date has been denied such relief. The State Department keeps contending it does not have authority to enter into agreements to limit the imports of textiles. The adoption of section 203 today will make it evident to even the State Department that such authority does exist and that it is the intent of Congress that the textile industry of the United States should not have its very life jeopardized by a deluge of foreign goods manufactured from our own agricultural products sold in the world market at competitive prices which are generally below domestic price levels.

If we do not act today there are many thousands of textile workers, now happy and prosperous, who will be forced to become recipients of relief and welfare checks. I urge the House to include section 203 in the farm bill.

(Mr. ROBERTS asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I shall not take the 5 minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. COOLEY. I yield.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. My inquiry is this: Should this amendment be adopted would it then be in order in a motion to recommit with instructions to amend the language of this amendment if adopted by inserting the word "final" before the word "compensation"?

The CHAIRMAN. That is a question the Speaker would decide when the motion to recommit was made. Under the rules of the House, of course, it is not in order in a motion to recommit to amend an amendment previously adopted. This question, of course, would be decided by the Speaker when the motion to recommit was offered.

Mr. HALLECK. I was under that impression. I suspect any further parliamentary inquiry will have to go over until a later time as to the effect of language that might be adopted as a result of a motion to recommit with instructions.

The CHAIRMAN. The gentleman from North Carolina [Mr. COOLEY] is recognized.

Mr. COOLEY. Mr. Chairman, may I say that this amendment will put into operation the soil bank in the good year 1956, as it clearly states, if the Secretary determines or when he determines that the producer has complied with the acreage-reduction requirements. He can pay the full amount of money that is due from the soil bank. He does not have to wait for 6 or 12 months. Just as soon as he determines that the acreage requirements have been complied with, he can pay the farmer.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am concerned, as I said before, I do not think the gentleman's amendment makes a single bit of difference in the language of the bill. It is immaterial whether it goes in or stays out. I would not be constrained to make any particular effort about it so far as I am concerned, and I suspect that is probably the idea on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. COOLEY].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendment offered by Mr. COOLEY:

On page 26, strike out all of line 19 and on line 20 strike out through "Representatives."

On page 38, strike out all of subsection (e) (1) and subsection (e) (2) beginning in line 8 down through line 24.

[Mr. COOLEY addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina [Mr. COOLEY].

The amendments were agreed to.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: On page 51 after line 17 insert a new section reading as follows:

"SEC. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

Mr. ABERNETHY. Mr. Chairman, the purpose of this amendment is to eliminate what I believe to be an injustice to one of the major segments of American agriculture. Six million people of this country, men, women, and children, are interested in the production of cotton.

A few days ago when the President's message came over he saw fit to increase the price supports on several crops after they had already been fixed by the Department of Agriculture. To directly illustrate what I am speaking of, the price support on wheat for this year had been set at 76 percent of parity. Nevertheless, the Chief Executive saw fit to raise that to 83.7 percent or an increase of 7.7 percent of parity. The price support on corn had been set at 81 percent of parity. Even so, the Chief Executive saw fit to increase the price support on corn and place it at 86.2 percent of parity. The price support had already been set on manufacturing milk at about 82 percent of parity—I believe that is correct—and he saw fit to increase that to slightly more than 84 percent of parity. He announced, however, the price supports would range from 82.5 to 90 percent, but the facts are that he applied the absolute floor to only one of the major crops, and that was cotton.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. In view of the fact that the support program is basically designed for the majority of the farmers, and to protect the small farmers, would the gentleman accept an amendment limiting any loan under this program to \$20,000 maximum per individual?

Mr. ABERNETHY. Well, I do not know that such an amendment would be germane to this amendment. If the gentleman cares to offer the amendment, it would not affect my particular people, because mine are not that big. The gentleman may if he likes, offer such.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, the Secretary thereafter fixed cotton supports at only 82.5 percent.

Now, I am not going to charge that the President and the Secretary of Agriculture have been absolutely unfair about this thing, but it does appear to me that the largest segment of agriculture in my section of the country—cotton—has been discriminated against. Whether it was intentional or not is not for me to say. I do say, however, that cotton has been discriminated against.

Now, my amendment does not raise to or fix the price support on cotton at the same level that we have on corn. It raises the price support by only 1.5 percent, and that is all. It fixes it at 84 percent of parity. It fixes it at approximately the same percentage of parity that wheat will be supported at. It fixes it at approximately the same percentage of parity that milk will be supported at. And it fixes it at 2.2 percent less than corn would be supported at. That is all there is to it and I hope that the committee will support the amendment because I think the cotton farmers of this country are entitled to the same treatment that has been given these other crops.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Arkansas.

Mr. GATHINGS. In view of the fact that the Secretary of Agriculture wrote a letter to a Member of the other body stating that if certain things were done he would recommend price supports at a figure between 86 and 87 percent of parity for upland cotton in the current year, I do not see how the House can oppose the gentleman's amendment. It is sound. The adoption of the amendment would assist in stabilizing the income of cotton producers which is so badly needed at this time. I hope the amendment of the gentleman from Mississippi will be agreed to.

Mr. ABERNETHY. I think the gentleman makes a good point. The Secretary did send a letter over to the other body indicating that if there were a change made in the base, he would support cotton at approximately 87 percent.

I hope the Committee will support my amendment.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel it should be pointed out in this connection that those who make their living growing cotton have already taken a cut in acreage of more than 35 percent. Actually, it is more than 60 percent from what we had at the high levels back in the thirties. But in the last 3 years we have taken a cut of 35 percent of total cotton production. Corn under this bill will take practically no cut. And yet we are guaranteeing to the producers of corn 86.2 percent of the full parity where they comply. And he has to take only a token cut in order to qualify. The cotton man in order to qualify has already taken 35 percent and must take more. Then he is not going to get 86.2 percent support but only 82.5 percent. The President says it is enough for him to get, but he must take 3 or 4 times as much acreage cut as the man takes in a doubtful corn State.

I only call attention to the fact that we have a discriminatory system under the supports established by the President of the United States and nobody else. I am not putting it on Ezra Benson. He did not establish these supports. The President of the United States established them.

All this will do is to say that the man who is growing cotton on 65 percent of his normal acreage should get 84 percent of parity, while the man who is growing 90 percent of his normal production of corn is getting 86.2 percent support on it. We are just trying to correct only half of the injustice that has been done.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY].

The question was taken; and on a division (demanded by Mr. MARTIN) there were—ayes 127, noes 128.

Mr. LONG. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ABERNETHY and Mr. HOPE.

The Committee again divided; and the tellers reported there were—ayes 168, noes 152.

So the amendment was agreed to.

Mr. JENNINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENNINGS: On page 29, line 22; strike out "price supported crops" and insert "agricultural commodities."

Mr. JENNINGS. Mr. Chairman, I support the farm legislation we are considering here today. It has been made more acceptable by the adoption of the Albert amendment, which will permit pastureland to be included in the soil bank, and by the inclusion of section 211, page 41. This latter provision will continue the processing of surplus commodities into a form suitable for home or institutional use. Since last year, under provisions of Public Law 311, we have been processing surplus grain into flour and meal for distribution to the needy. I introduced a bill to provide for such processing and it was supported by a large number of my colleagues.

I wish to offer an amendment which I think will be noncontroversial. It merely changes the wording on page 29, line 22, to read "agricultural commodities" rather than "price supported crops."

There are many of us who do not represent areas where the so-called basic crops, or other crops, are price supported. My amendment means that the crops which are basic to any area will come under this section of this bill.

Many of our farmers feel that they should not be asked to take their land out of production and put it into the soil bank when the Federal Government is engaged in the leasing of its land for the production of surplus agriculture commodities. I must say that I agree with them.

This section of the bill, with my amendment, gives the President the authority, where it is practical, to restrict the leasing of land for the production of agricultural commodities when they are in surplus supply.

As a matter of fact, we have a total of 245,589,000 acres of federally owned grazing land. For farming purposes, we have 1,400,000 acres of Federal land being leased to individuals, who are not paying taxes on that land, but who are producing agricultural products. Much of this production is surplus and all of it is in competition with our farmers who own their land and who are paying their taxes.

Earlier this year, I introduced a bill to prohibit the use of Federal land for the production agricultural commodities, including livestock. I trust that this amendment will be adopted. I think it is needed, and it will make this legislation more palatable to the people in areas who are not being supported and who are not raising price supported products.

I repeat, if we are going to begin a soil bank, let us take the Government's acreage out of production and out of competition with the individual farmer.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. HARDY. I wish to commend the gentleman for offering the amendment. It seems to me it makes a lot of sense. I hope it will be adopted.

Mr. JENNINGS. I thank the gentleman from Virginia.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. I also would like to commend the gentleman for his thorough study of this matter.

Mr. JENNINGS. I thank the gentleman from West Virginia.

(Mr. JENNINGS asked and was granted permission to revise and extend his remarks.)

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE as a substitute to the amendment offered by Mr. JENNINGS:

On page 4, line 2, strike out the word "and" preceding the word "Ohio."

On page 4, line 3, insert after the word "respectively" the following: "And such other field crops as the Secretary may designate."

On page 11, line 24, strike out "\$750,000,-000" and insert "\$800,000,000."

On page 12, line 4, strike out "and" preceding the word "tobacco."

Strike the period following "\$45,000,000", replace the same with a comma, and add the following: "and other crops, \$50,000,000."

Mr. McINTIRE. Mr. Chairman, as this amendment involves two subsections I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I do not think this amendment is in conflict with the objective of the gentleman from Virginia [Mr. JENNINGS]. I think it somewhat supplements and perhaps strengthens the language of the amendment offered by my colleague.

The objective of this amendment is one which I discussed before the House in general debate yesterday.

This is an amendment which was offered to the committee in executive session and was voted down, but I am in about the same position in that respect as the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], a member of the committee, because that amendment was offered to the committee by the gentleman from Oklahoma [Mr. ALBERT], and it, too, was rejected in an executive session of the committee.

The pending amendment would place the soil-bank legislation somewhat in parallel with the Agricultural Act of 1949. In that act the basic commodities are listed in title I. The designated non-basic commodities are listed in title II. In title III of that act provision is made for all other commodities in regard to which the Secretary might elect to carry on a price-support activity at his discretion.

This amendment would place at the discretion of the Secretary the authority to place into the acreage-reserve provisions of the soil-bank legislation such other field crops as the Secretary may designate.

Let me call to your attention some of the commodities with regard to which the Secretary in his discretion has set up price supports under title III. If I am not in error, under the authorization of the Secretary in the Agricultural Act of 1949, as amended, price-support activities are in operation on flax, soybeans, dried beans, oats, barley, and grain sorghum.

This legislation, by provisions incorporated in it, will bring within the area of participation oats, barley, and grain sorghums which are commodities in title III of the Agricultural Act of 1949. The amendment which I am offering as a substitute for the amendment offered by the gentleman from Virginia would simply place in the hands of the Secretary the discretionary authority to use the provisions of the acreage reserve on such other field crops as he might select.

May I add this other point. We are dealing in a substantial degree, as we

consider soil-bank legislation, a situation in which, in part at least, the objective is the management of inventories of commodities in the hands of the Commodity Credit Corporation. The commodities which would be within the purview of this amendment do not have the facilities of any loan operations and surplus supply must rest on the shoulders of the operator himself. Oftentimes those commodities become burdensome. This provision would provide a vehicle by which at his discretion the Secretary might use the provisions of the acreage reserve section of the soil-bank legislation to be of some assistance in the diversion of acreage out of the production of those commodities.

I would urge the adoption of the amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from North Carolina.

Mr. COOLEY. It seems to me that the gentleman's amendment might be more appropriately presented at some other point in the bill. The section under consideration is entitled "Production on Government Lands Prohibited" and it reads this way:

The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of lands for the production of price supported crops in surplus supply.

The gentleman from Virginia [Mr. JENNINGS] proposes to strike out "price supported crops" and to insert in lieu thereof two words "agricultural commodities."

Mr. McINTIRE. Do I understand the chairman of the Committee on Agriculture is questioning the appropriateness of my amendment in this section? I may be in error on that.

Mr. COOLEY. Yes. It seems to me there are Members here who might like to vote for Mr. JENNINGS' amendment and might at the same time vote for the gentleman's amendment. I would withhold it for the time being.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maine.

May I ask the gentleman, would it not be more appropriate for him to withdraw his amendment? Let us vote on the Jennings amendment and get that out of the way.

Mr. McINTIRE. I thank the gentleman.

Mr. COOLEY. I think that would be the better way.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to withdraw my amendment in order to present it perhaps at a more appropriate section of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. JENNINGS].

The amendment was agreed to.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE:

On page 4, line 2, strike out the word "and" preceding the word "Ohio."

On page 4, line 3, insert after the word "respectively" the following: "and such other field crops as the Secretary may designate."

On page 11, line 24, strike "\$750,000,000," and insert "\$800,000,000."

On page 12, line 4, strike "and" preceding the word tobacco, strike the period following "\$45,000,000", replace same with a comma and add the following: "and other crops, \$50,000,000."

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Under the rules of the House does a man get two 5-minute discussions on the same amendment?

The CHAIRMAN. The gentleman withdrew his amendment, and it has been offered again. The gentleman from Maine is recognized for 5 minutes in support of his amendment.

Mr. McINTIRE. Mr. Chairman, I thank the chairman of my committee for his kindness in straightening me out on the proper place to put in this amendment. I have no further argument on this point, so I yield to the chairman of our committee if he has any questions.

Mr. COOLEY. I would like to say to the gentleman that while I did discuss it with him very briefly here some time ago, I have not given it thorough consideration and I am not in a position to say whether it should go into the bill at this time or not. I would like to hear from some Members on that side to express their views. But, the gentleman is proposing to add an authorization for an additional \$50 million; is that true?

Mr. McINTIRE. That is true.

Mr. COOLEY. What other crops does the gentleman anticipate the Secretary might use this \$50 million in connection with?

Mr. McINTIRE. At times flax, soybeans, and dry beans might be included. Certainly the commodity which is predominant in my area, such as potatoes, might be included and such other commodities as the Secretary might wish. I will say that my purpose in offering this amendment is far more broad than that of a single commodity. It is my purpose to make this legislation somewhat parallel with the provisions of the act of 1949 which does give the Secretary discretionary authority on all of the commodities, as I have indicated before.

Mr. COOLEY. Of course, the soil bank was directed at the surplus problem primarily; also building up the soil reserve of the country. I do not suppose the gentleman would anticipate that the Secretary would apply the provisions of the soil bank to a crop which was not in surplus supply.

Mr. McINTIRE. No. As I said, Mr. Chairman, I was somewhat constrained to offer this amendment but on the point which you have just made, there was the vote for approval of the amendment offered by the gentleman from Oklahoma [Mr. ALBERT]. Certainly, grazing acres

can hardly be considered surplus in comparison to the inventory we are dealing with in relation to basic commodities. On that basis I felt this had appropriateness, also.

Mr. COOLEY. The amendment of the gentleman from Oklahoma [Mr. ALBERT], contemplates not only a reduction in grazing acreage but in livestock population.

Mr. McINTIRE. I appreciate that.

Mr. COOLEY. I am perfectly willing, subject to the approval of my colleague on the committee, the gentleman from Kansas [Mr. HOPE], and subject to the action of the House, of course, to take this amendment to conference and see that it is thoroughly considered, and if it is acceptable, to accept it. I have no particular reason to oppose it, but I would like to hear from the gentleman from Kansas.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Kansas.

Mr. HOPE. I am in the same position as the chairman of our committee. I have not had an opportunity to carefully study the implication of the amendment. I am familiar with the text of it, but the committee had no hearings on it and we have not had enough information for me to form an opinion on it. If the chairman is willing to take it to conference with the understanding that we will make a further study of it before any decision is reached on it, I would have no objection.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield further, I would like to say by way of complimenting my distinguished colleague that I have never known him to sponsor anything that did not have some merit. I am sure he is convinced that this is a very meritorious amendment. But, being in the position I am in at the moment, not having had any hearings on this amendment, I still say it should be more thoroughly considered, and I am perfectly willing to take it to conference and give it more careful consideration.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman's amendment would not apply to any commodity whose condition of surplus and otherwise did not meet the general objectives of the act; is not that true?

Mr. McINTIRE. That is right.

Mr. ALBERT. So if there were a surplus in beans or potatoes or the prob-

lem of surplus reduction were present, the Secretary under this amendment would have discretion to give treatment to those commodities similar to that given to other commodities.

The CHAIRMAN. The time of the gentleman from Maine [Mr. McINTIRE] has expired.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to proceed for 1 minute additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. MASON. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. McINTIRE].

The amendment was agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 6, line 2, strike out the period at the end of line 2 and insert "Provided, however, That the provisions of section 107 (D) shall apply hereunder."

Mr. CRUMPACKER. Mr. Chairman, this is a relatively simple amendment. All it would do would be to give the farmers the same opportunity to present their case, in the event they are charged with a violation of their contract under the acreage-reserve program which the bill, as written, would give them under the conservation-reserve program.

On page 16 of the bill, at the bottom of the page, under subsection (d) and continuing on page 17, there is the following—

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield to the gentleman from Texas.

Mr. POAGE. So far as I can see, there is nobody around here who would object to the gentleman's amendment.

Mr. CRUMPACKER. Mr. Chairman, I would like to say briefly that there is an elaborate procedure in the section I just referred to for the farmers to be heard and to take an appeal in case the Secretary, acting through the county committees, seeks to terminate their contracts. There is no similar provision under the acreage-reserve program and I think there should be; that the reasons for providing such an opportunity are the same under both circumstances. Therefore I think the amendment should be agreed to, to give the farmers equal rights under both programs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was agreed to.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not intend to offer an amendment. I am for the soil bank, and unless it gets loaded up too much with bad amendments I intend to vote for this bill. I think the soil bank certainly is a present necessity. But I am reminded by hearings now going on before our Foreign Affairs Committee that it is not a final solution to our agricultural problem.

American agriculture is on a net export basis. There are about 40 million acres in the last decade that have been devoted exclusively to export. Unless and until American agriculture can compete in the world markets without subsidies for that competition, we are going to continue to have a farm problem.

I am reminded, and I want to remind my brethren, that our agricultural problem is not only a domestic problem. It is an international problem, since we are on an export basis. That is recognized in this bill.

Section 207 of this bill contributes toward the solution of the farm-surplus problem by providing for reimbursement of the Commodity Credit Corporation for ocean freight costs on products shipped overseas under title II of Public Law 408, the Agricultural Trade Development and Assistance Act of 1954, and by increasing the amount under title II for relief shipments of agricultural products from \$300 million to \$500 million. As I understand it, this section has administration support. Sections 202 and 203 in this bill do not have administration support. All these sections deal with the foreign aspects of the agricultural problem.

I want to remind my colleagues that in the past 10 years we have shipped abroad under Government programs \$12,366,000,000 of agricultural products. The total of exports outside Government programs was \$20,777,000,000. Our total agricultural exports during that period were \$33,150,000,000. This means that over one-third of the agricultural exports from the United States over the past 10 years have been through Government programs; \$11,045,000,000 of that has been grants, where we bought the products from the American farmers at going prices, the taxpayers paid for them, and they were given away in various foreign-aid programs.

Here is a table submitted by the Department of Agriculture to our committee showing the details of these exports:

United States agricultural exports—Grants and sales under Government programs, sales outside Government programs, fiscal years 1945-46 through 1954-55

[Millions of dollars]

Type of export	Bread grains	Coarse grains	Cotton and linters	Leaf tobacco	Fats, oils, and oilseeds	Dairy products	Other	Total
Government programs:								
Grants: ¹								
1945-46.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,365
1946-47.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	890
1947-48.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,569
1948-49.....	991	212	512	107	214	81	185	2,302
1949-50.....	606	209	695	149	161	33	122	1,975
1950-51.....	330	133	444	132	55	47	46	1,187
1951-52.....	191	72	182	56	25	2	52	580
1952-53.....	97	79	196	10	19	1	34	436
1953-54.....	123	26	164		23	70	42	448
1954-55.....	70	24	95	(2)	55	128	12	383
Total grants.....								11,045
Sales under Government programs:								
Foreign currency sales: ⁴								
1953-54 (sec. 550).....	40	2	27	27	14		6	116
1954-55:								
Title I, Public Law 480.....	39	9	10	3	2			62
Sec. 550.....	32	7	24	11	13		6	95
Sec. 402.....	81	3	93		6	1	3	186
Total, 1954-55.....	152	19	126	14	21	1	9	343
Total, foreign currency sales.....	192	21	153	41	35	1	15	459
Barter sales: ⁵								
1948-49.....								
1949-50.....		(2)	8					8
1950-51.....	6	1	1					9
1951-52.....	39	4						43
1952-53.....	9	4		1				14
1953-54.....	22	9		1	2			34
1954-55.....	98	23	(2)		3	(2)	(2)	125
Total, barter sales.....	174	41	9	2	5			233
Loans: ⁶								
1948-49.....			38				4	42
1949-50.....			22					22
1950-51.....			12				2	14
1951-52.....	160	19	94					273
1952-53.....	33	1	52	10				96
1953-54.....			113					113
1954-55.....	10		59					69
Total loans.....	203	20	390	10			6	629
Total grants and sales under Government programs:								
1945-46.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,365
1946-47.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	890
1947-48.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,569
1948-49.....	991	212	550	107	214	81	189	2,344
1949-50.....	606	209	725	149	161	33	122	2,005
1950-51.....	336	134	457	132	55	47	48	1,210
1951-52.....	390	95	276	56	25	2	52	896
1952-53.....	139	84	248	21	19	1	34	546
1953-54.....	185	37	304	28	39	70	48	711
1954-55.....	330	66	281	14	79	128	21	920
Total United States agricultural exports under Government programs.....								12,366
Sales outside Government programs:								
1945-46.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,485
1946-47.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,810
1947-48.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,936
1948-49.....	327	68	265	119	145	149	413	1,486
1949-50.....	87	30	224	86	107	81	366	981
1950-51.....	425	244	484	142	338	106	463	2,201
1951-52.....	692	245	928	271	364	97	560	3,157
1952-53.....	547	237	328	264	241	72	584	2,273
1953-54.....	265	200	376	272	372	86	653	2,225
1954-55.....	168	173	410	291	419	83	680	2,223
Total sales outside Government programs.....								20,777
Total United States agricultural exports:								
1945-46.....	596	146	418	275	124	315	983	2,857
1946-47.....	894	445	593	326	158	236	958	3,610
1947-48.....	1,371	375	341	206	188	241	783	3,505
1948-49.....	1,318	280	815	226	359	230	602	3,830
1949-50.....	693	239	949	235	268	114	488	2,986
1950-51.....	761	378	941	274	393	153	511	3,411
1951-52.....	1,082	340	1,204	327	339	99	612	4,053
1952-53.....	686	321	576	285	260	73	618	2,819
1953-54.....	450	237	680	300	411	156	701	2,936
1954-55.....	498	239	691	305	498	211	701	3,143
Grand total United States agricultural exports.....	8,349	3,000	7,208	2,759	3,048	1,828	6,957	33,150

¹ ECA liftings in 1948-49 and 1949-50; paid shipments for ECA, MSA, and FOA regular and special programs thereafter; Army civilian supply shipments; calculated export values for USDA sec. 416 donations; title II, Public Law 480 shipments based on CCC data; lend-lease, UNRRA, Greek-Turkish aid, interim aid, United States foreign relief and International Refugee Organization.

² Commodity detail not available.

³ Negligible.

⁴ FOA and ICA data on sec. 550 and sec. 402 shipments; title I, Public Law 480 data based on FAS reports (ICA figures exclude ocean freight).

⁵ Deliveries to contractors.

⁶ Pakistan, Afghanistan, Spanish, India, Export-Import Bank, USDA loans.

⁷ Include estimates of sec. 416 donations; commodities are not identified by name in official United States export statistics.

NOTE.—All data preliminary; some estimated. Due to differences in methods of valuation, comparisons between programs and total exports do not reflect quantities included. Due to rounding, figures may not add to totals shown.

Source: Trade Statistics and Economic Geography Branch; Trade Policy Division, Foreign Agricultural Service, U. S. Department of Agriculture, Feb. 1, 1956.

These farm products served a useful purpose in our foreign policy, of course, during that period, but I remind my brethren that the most gigantic and effective farm price-support activity of our Government in the past 10 years has been this foreign-aid program of buying up these products at full prices to the farmers and distributing them overseas for relief, war recovery, and defense support. It is when the program began to taper off that we started to have a farm problem in this country.

I want to point out once more to the House that two parts of the proposed bill, sections 202 and 203, are neither sought nor desired by the administration.

Section 202 would reduce the quantity of long-staple cotton that may be imported into the United States. The section would also require the Commodity Credit Corporation to embark on a new export sales program for disposal abroad of its present stocks of domestically produced extra-long staple cotton. Under present circumstances and in the light of all the factors bearing on this problem, the administration believes that writing either of these provisions into law is undesirable.

Special questions are raised about section 202 (a) at this time in view of the expanded consumption, declining stocks and improved competitive position of American-Egyptian-cotton in the domestic market.

Section 202 (b) also raises serious questions since it would require an export sales program involving Government subsidies for a type of cotton which the United States has supplied to world markets in only negligible quantities in the past. This governmental sales operation could not be defended on any grounds of regaining a previous share of international trade. The major traditional suppliers of such cotton in world markets would have grounds to consider this type of competition as unfair and unwarranted. Such an export program would be regarded abroad as a direct contravention of principles internationally accepted in world trade and of the assurance given by the United States in the Organization of American States at the time of the Korean emergency that this country would avoid abnormal disturbances in world markets in liquidating emergency stocks.

Section 203 would authorize the President to negotiate with foreign governments agreements limiting United States imports. The President would also be authorized to issue regulations to carry out any such agreement. No legislative standards are established nor would the extent of restriction be limited except by the determination of the President as to what action is appropriate.

The administration believes that the authorizations proposed in section 203 are unnecessary and undesirable. Such authorizations would surely encourage pressures to bypass the procedures established by existing legislation which provide for careful analysis, public hearings, and due regard for all affected interests. Section 203 is discretionary but it would create widespread uncertainty and fear of a general retreat from the

United States policy of fostering an expansion of mutually profitable international trade. The section would be taken by numerous groups as an open invitation to bring unrestrained pressure on the President for restrictive agreements and regulations, however unjustified on any grounds previously recognized by the foreign economic policy or the international trade agreements of this Government.

It is not my purpose to offer amendments to strike these two sections because I do not want to complicate matters today by seeking a full discussion of the foreign aspects of the agricultural program.

We have the foreign aspects of agriculture and the agricultural problem and disposal of agricultural surpluses before our Committee on Foreign Affairs. For instance, today we were asked to authorize \$1,500,000 for administrative expenses of the International Cooperation Administration under Public Law 480. At the appropriate time I hope that we will get this entire agricultural program in line with our total policies, foreign and domestic. Meanwhile, let us remember that we no longer have the gigantic price-support mechanism of foreign aid for agriculture, and we must find other solutions.

(Mr. VORYS asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of Texas. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there are many things in this bill that I do not like. There are some more left out that I think ought to go into an agricultural bill, particularly at this time.

I head two rather important subcommittees, one on family farms and the other on the rice industry. If those two subcommittees and our Committee on Agriculture will back me up, in due time, and I trust during this session, we will propose legislation to this House which would go far to straighten out the family farm, that segment of agriculture which is suffering the worst of any at this time. I do not think they are adequately taken care of in this bill, although I must say we have done the very best we know how. That we propose to take up in our subcommittee shortly.

The same thing is true of the rice industry, which has a plan of its own which the industry feels will take it completely out of the control part of the agricultural program and within the next 2 or 3 years make it self-supporting without any Government participation.

I suppose that in a short time I shall vote for the passage of this so-called agriculture bill, H. R. 10875. Distasteful as it is, it has been rammed down my throat, and I am doing my best to digest it. There is almost nothing in it to benefit my people as they want to be and deserve to be benefited.

The small farmer who could have been so materially assisted to maintain his traditional place in the American economy will have to be satisfied with whatever crumbs he can scrape up from the floor in accordance with the famous "trickle down" theory which led to ruin

once before, well within the memory of all of us.

Small farmers cannot possibly afford to take out of production any portion of the meager acreage allotments they have under the present program. Greatly increased costs and reduced prices for their products have already forced many to leave the farm and seek other means of making a living. At this point he must produce all he possibly can on his few acres to keep his head above water.

After we sweep this present mess under the rug, I hope that the Family Farm Subcommittee will bring out a bill which will say to both sides of the House, "Here is something which will reestablish the family farmer to the place he deserves—decency and stability in our economy." I want to lay that before you and before the Secretary of Agriculture and the President, and to find out once and for all if they mean what they say when they claim to have the interest of the family farmer at heart.

To the Committee, here and now, I want to say that if you do not do something of that kind you will, before very long, deal with the family farmer as a social problem, which will be much more difficult to solve if you do not treat it as it should be—a major and vital problem of agriculture.

I was bitterly disappointed that an experiment recommended by the entire rice industry was eliminated from the present bill because Mr. Benson and the President did not like it. They, in their wisdom, said it would not work. Every phase of the rice industry said it would. Mr. Benson, whom I thought had been hired out to represent the farmer, basically, has what he calls the Rice Industry Advisory Committee. I challenge him to consult with that committee and to listen to their side of the plan which they submitted.

It has been misnamed "the two-price system for rice." Actually, it is one price so far as the farmers are concerned, and it would place the entire industry in a position to fight for the world market on an equal basis with the rice industry everywhere in the world. Whatever the difference between the world market and the farmers' fair price, it would be made up by adjustment in the domestic price.

It is most significant that the rice industry feels that the plan which they unanimously recommended would in a very short time, possibly 2 or 3 years, make it unnecessary to have an controls at all.

Mr. Benson did not consult with his Rice Industry Advisory Committee before he recommended to the President that the plan would not work.

While I am on the subject of that Rice Industry Advisory Committee let me put the spotlight on a strange attitude of Mr. Benson in regard to its membership. I have here a list of the 17 men who compose it. Every member, so far as I know, is an honest and conscientious man and each will represent his own interest to the best of his ability. The rice industry is divided into three distinct segments. First comes the farm-

er, next comes the warehouseman, and third the miller. In most places there is another who has a separate part in the industry whose primary interest is furnishing the water to the farmers. Generally these different groups work in harmony with each other, but when it comes to a showdown, each will very naturally look after his own interest. For a number of years the farmers in the Rice Belt have asked for representation on Mr. Benson's advisory committee. I have made their wishes known to Mr. Benson repeatedly, but he will not recognize the farmers as such. Among the 17 members of that committee there is just exactly 1 whose only interest in the rice industry is farming. Why does Mr. Benson refuse to recognize the farmers? I do not know.

I have talked to many members of the advisory committee and every one has agreed there should be more farmers on it, if only to satisfy them that they are being consulted and that their views are reaching just as far up the ladder as those of the millers, the warehousemen, and the canal owners. All of this I have pointed out to Mr. Benson, and my last word which came during the present session was, and I quote from a letter signed by Under Secretary True D. Morse, "No changes in the membership of the committee are contemplated at this time, although various organizations not now represented on the committee have indicated a desire to be represented." I pointed out to Mr. Morse that I have not recommended any more organizations, but I have and still do suggest a few farmers.

Again, I point out to him and to Mr. Benson what I have told them in the past—all you can do by complying is make yourselves a few friends.

The Rice Subcommittee, of which I am chairman, is now trying to provide some measure of protection for the industry. Possibly the other body will again amend the bill to take care of it. If so, I certainly hope that our body will look with favor on the recommendation of the rice industry which asked, above all, to try to work itself out from under Government controls and subsidies of any kind.

Mr. OLIVER P. BOLTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER P. BOLTON: On page 51, after line 17, add a new subsection (e).

"Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$25,000. The term "person" shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to or purchase from a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

Mr. SMITH of Mississippi. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill in that it amends a law which is not considered in this bill and which is not before the House.

The CHAIRMAN. The Chair will hear the gentleman from Ohio on the point of order.

Mr. OLIVER P. BOLTON. Mr. Chairman, it seems to me this is a point which affects all agricultural legislation. We are dealing here with a basic act of agriculture which is tied in as a full and complete subject. This is not a field which can be divided down into various subject matters. This is an overall program. This, it seems to me, is as germane to this section certainly as was price supports for cotton and certainly as germane as price supports on acreage allotments for any other crop of agriculture. I submit to you that as it is a part of the entire program, it is germane. This is the only opportunity in agricultural legislation that I know of this year that this proposition has been able to be offered in this fashion.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. SMITH of Mississippi. Mr. Chairman, I would like to point out that this is not a price-support bill, and there are no amendments to the price-support law in the pending legislation.

Mr. OLIVER P. BOLTON. Would the gentleman indicate that other similar amendments to price supports were also not germane to the legislation?

Mr. SMITH of Mississippi. The gentleman from Mississippi was addressing the Chair and did not understand the gentleman from Ohio.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Mississippi on the point of order.

Mr. SMITH of Mississippi. Mr. Chairman, the rule of germaneness specifically declares that an amendment to be germane has to involve an amendment or a change in the law that is being considered in the bill before us. The bill before us involves the soil-bank matter and is entirely new as was brought out by the Secretary of Agriculture. In fact, the point was made very clear in lengthy discussions before the Committee on Rules by the distinguished leaders of the House on the other side that this was an entirely new law and could not be covered except by new legislation. This subject matter is entirely new and that is what brought forth this particular legislation.

The CHAIRMAN (Mr. PRIEST). The Chair is ready to rule.

The amendment offered by the gentleman from Ohio, it appears to the Chair, goes far beyond the scope of the bill under consideration. The Chair desires to read just a portion of the first sentence of the amendment, which is as follows:

Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person—

Therefore, because the amendment goes far beyond the scope of the pending

bill, the Chair is constrained to sustain the point of order.

The point of order is sustained.

Mr. OLIVER P. BOLTON. Mr. Chairman, I thank the Chair for his consideration.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when we started consideration of this bill this morning, I assumed, apparently somewhat mistakenly, that major amendments, outside of some of those we knew would be under consideration, would not have such support as would bring them to adoption in the Committee of the Whole. As I said at the outset, I sincerely hope that in this effort to pass a good, sound, workable farm bill we would have something that we could all be proud of, and that would go on to final enactment as a part of the law.

Two amendments have been adopted that I do not think should have been adopted, and in view of the last ruling, probably one of them would have been subject to a point of order had a point of order been made at that time.

I refer to the Albert amendment that has to do with grazing, and the Abernethy amendment that has to do with cotton.

I just say now that when we go back into the House it is our responsibility to call the roll on those amendments.

In respect to the Albert grazing amendment, as I indicated, I had serious doubts as to how far reaching it might be. I had not had an opportunity to look at it, but in the meantime a memorandum has been handed to me, gotten up by responsible people, who are very certain that the amendment is ill-advised. They say it would be almost impossible to administer it, first, because there is no method by which a base period for livestock units can be determined, except by taking the ranchers' word.

Second, it would be impossible to police any reduction in livestock numbers, first because of a lack of base; second, because there is no way to check them except by count; and, third, the livestock would actually have to be slaughtered to be assured of a reduction.

Next, there would be no way to police the grazing of rangeland except to fence off the reserve acreage. They tell me the cost of fencing would run about \$6 for one side of an acre, or \$600 to fence all four sides of 20 acres.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No. I would like to conclude this statement, and then the gentleman can challenge it if he so desires.

There would be much noncompliance. There are about 300 million acres of grazing land in the United States. If payment were to be made on 10 percent of those acres, the average rate of payment would be about \$1.70 per acre. That would be somewhat less than the cost of fencing one side of an acre. Then it would force liquidation of livestock numbers. That would mean that livestock prices would be very much depressed. The Government is paying high incen-

tive payments to wool growers in an attempt to raise sheep numbers. So the effect of this would be to work in the opposite direction—pay ranchers to reduce sheep numbers. It would tend to reduce the demand for forage and feed grains, which are in surplus supply.

Likewise, in connection with the Abernethy amendment, I do not think that it has any place here. It deals with an entirely different matter.

I only make these statements at this time because we shall have an opportunity when we go back into the House to correct what I think has been ill-advised action on the part of the Committee of the Whole.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK], has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection? There was no objection.

The gentleman from California [Mr. SISK] is recognized.

Mr. SISK. Mr. Chairman, I realize, of course, the members of the committee have first call on the time, but I have been trying since noon today to get the floor. I do not say this in criticism of the committee, but certainly there are a great many of us who have farmers in our districts and we are vitally concerned with some provisions in this farm bill, and certainly it seems to me we should have been given a little more opportunity to have brought those thoughts to the floor.

I would like in particular to mention the rice situation. The original bill, H. R. 12, that passed this House had a program for the ricegrowers, a program on which they were thoroughly sold and which they wanted to support and which would have removed them from support by the Federal Government, but in the bill we have before us I cannot find anything which will do the ricegrower the least bit of good. I supported the gentleman from Virginia in his amendment. I did so because in my area we have many crops which are not the so-called basics, and they are crops in which we are vitally concerned.

There are some other gimmicks in the bill for which I do not care, but I am going to support this because I believe it offers, at the moment, the only possible opportunity for the farmers of America to reap any benefit this year or in the immediate future from supports. I would certainly hope that the committee would consider in the immediate future a program for the ricegrowers, because it would seem to me it is something that they as a large segment of the agricultural community of this Nation are entitled to.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, my question deals with section 126, on page 29, which provides for the pooling of certain farm operations which permits farmers to pool their rights and to participate jointly in the conservation reserve program.

My question to the chairman of the committee is: Just how broad a pooling program is contemplated under section 126?

The report on the bill under section 125 states merely "will permit farmers to pool their rights to participate jointly in the conservation reserve program."

Is this on a county basis? Is it on a township basis? Or is it on a State basis? Or just what are the rights of pooling land under the soil-conservation program?

Mr. COOLEY. I think I can say to the gentleman that it is not restricted by townships or by counties, but I think it is contemplated that where a family owns more than 1 farm they can carry out the conservation practices on 1 farm and not carry them out on all; in other words, that they can pool the several farms into 1 operating unit.

The CHAIRMAN. The gentleman from North Dakota [Mr. BURDICK] is recognized.

Mr. BURDICK. Mr. Chairman, this soil bank, however it originated, is not going to settle the situation in North Dakota at all. In North Dakota we are already limited to these few acres that we cannot make a living on what we can plant. Now you come along with this soil bank and instead of taking it out of the rest of your land you take it out of the few acres you are allowed to plant. So if I am allowed 41 acres now, I reduce that 20 percent or 8 acres more, and I have 33 acres left.

While you are limiting us to these few acres, at the same moment the Government is extending leases on Indian reservations, where I have seen furrows 16 miles long that do not turn out for township roads. While you are limiting the family type of farms and which limitations will drive those farms out of existence, at the same time you are spreading the right to raise wheat all over these Indian reservations. The same Government that limits family-type farms out of existence, the same Government leases whole Indian reservation for wheat.

All this soil bank will do to the family-type farms is to make the entire collapse of these farms more certain, because it increases the loss of acreage which will eventually destroy small farms.

Of course, the farmer is paid for destroying himself. The administration must believe that this little cash payment will keep his mind off the fate that awaits him.

I first heard of this soil bank in 1935 when Secretary of Agriculture Henry Wallace recommended it. Along with this plan the Secretary recommended that we plow up every third row of cotton, kill off the pigs, and butcher dairy cows. I thought the whole thing appeared crazy.

Now, after 21 years, the present Secretary of Agriculture resurrects a part of this crazy plan and insists upon its adoption. Last year he said it would work, but this year he has changed his mind. As long as the President is praying for this soil bank as his only remedy for the ills of agriculture, I will vote for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

(Mr. LANHAM asked and was given permission to revise and extend his remarks.)

Mr. LANHAM. Mr. Chairman, since the amendment has been adopted giving to our cotton farmers a fair deal, I am for this bill and I hope the House does not reverse itself because if price supports are raised for other products they should have been raised for cotton also.

What I got up to speak to you about is to commend the committee for writing into section 203 a provision that makes it absolutely clear the President has the right to protect the textile industry of America if it is to be faced not only with the cheaper labor of Japan and other foreign countries but also with lower priced cotton that Japan can now buy at lower prices than our mills in America.

I would like to ask the chairman of the Committee on Agriculture if there has been any indication from the Secretary of Agriculture or from the President that the President will exercise this right that you make abundantly clear in this bill that he has.

Mr. COOLEY. I do not recall that either the President or the Secretary of Agriculture has expressed any views about the matter, but I agree with the gentleman from Georgia it is very important and we will have to assume, since Congress itself has attached so much importance to the provision, that the executive branch of the Government will take notice and will undertake negotiations looking to such limitation.

Mr. LANHAM. The gentleman's answer is reassuring. Certainly the textile industry in this country will need this protection, it fact, needs it now. For textile imports from low-wage countries are flooding this country with textile products. By concentrating from time to time on special types of fabrics and garments Japan is gradually driving many of our textile manufacturers out of business or into different types of fabrics.

Only a few days ago announcement was made by a textile firm of New England employing 400 people that it would be forced to close unless it got some protection from the flood of Japanese imports. In my own State, already, mills making velveteen have been forced to shift to other fabrics or close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

(Mr. REES of Kansas asked and was given permission to revise and extend his remarks.)

Mr. REES of Kansas. Mr. Chairman, in line with what I have heretofore said on the floor of the House, the farmers of this country are fair minded. They want to do the thing that is right in respect to the Government under which they live. They do not want the Government or anyone else to do for them anything to which they are not justly entitled.

The farmers are a minority group in number, but they represent a most important segment and share of the economy of America. The farmer does not

complain because other groups are making gains, but he does not understand why he, at least, is not in position to hold his own in our economy. It is difficult for him to understand why he does not receive a share of income to which he is really entitled. It is rather hard for the farmer to understand why industry, for example, is expanding in all directions, why the steel companies are making more profits than ever and are presently increasing the price of steel, when at the same time he is required to take lower prices for his products. Farmers' income during the last year is lower than it has been in the past.

He is taking a less price for his product than it actually costs him to produce it. He reads through the newspapers, however, that manufacturing companies receive favors by way of tax incentives for building equipment that may be used for the defense of our country. In other words, industry gets the profits to which they are entitled and gets a bonus for doing it. To the farmer it is described as parity payments; for the manufacturer, it is described as incentive payments. In other areas it is subsidies. The farmer does not object to good wages. He favors good wages. He knows good wages are an indication of prosperity. In this respect, again, he does not receive his share of the national income.

He reads that steamship lines are provided with subsidies but not designated by that name. The farmer observes the stock market is flourishing and that stocks on the New York Stock Exchange are higher than they have ever been. This does not apply to the grain market or the livestock market. The same applies to railroad stocks and utility stocks that show good profits. Only recently 1 of the great railroad companies has declared a split in stock of 4 or 5 shares for 1, which indicates a good profit. There is no criticism about it. Neither is there a complaint because railroad companies have received approval of a 5-percent increase in their charges for transportation. He observes that utilities are really guaranteed a fair profit by reason of rate charges and many of them have recently had increases. All of these and other indications seem to leave the farmer out of the category of prosperity even though he produces the most important commodity of all—food and fiber.

According to the USDA report, since 1945 the farmer's share of the consumer's retail food dollar has declined from 55 cents in 1945 to 41 cents last year. Some time ago, when wheat was selling for \$2.80 per bushel, a pound loaf of bread sold for 14 cents. Now, while wheat is selling for \$2.15 per bushel, a similar loaf of bread sells for 18 cents. According to the USDA report, from which I have just quoted, the income of farmers last year was reduced by \$1 billion. The average income was reduced within a little more than a year from \$913 to \$860. While this was going on, the income of nonfarmers was more than doubled during the same period.

One of the good indicators of prosperity is that of life insurance companies. Almost all large life insurance companies report a bigger and better

business during the last year than any year before. One company reports that it did \$2½ billion worth of life insurance business last year.

Mr. Speaker, this statement is not made for the purpose of indicating in any way or manner that the farmer is griping. Not at all. When the farmer observes the share which he receives for his product when delivered to the consumer is shrinking while his costs are going higher and the sale of his product showing little advance in price, if any, then there must be something wrong with our economy.

I think the whole matter can be summed up by stating that all the farmer really wants is a fair price for his labor and his product in the market place on the basis of what he is required to pay for the things he needs to buy.

Again, without offering criticism, just do not forget there are other groups and segments who, in recent years, are recipients of big sums of Government money. For instance, a report has recently been published indicating \$6½ billion for business during the period from 1949 to 1956. The shipping industry, for example, will get millions during this year. Billions of dollars are being expended to assist people of other countries. I mention these only to indicate that, whether you favor this legislation or not, the farmer's share of this kind of expenditure, whether you call it subsidy or by any other name, is not as great as would seem when compared with other such expenditures.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I have listened for 12 years and especially for the last 2 days about land banks, soil banks, food banks and so forth. I want to know when we are going to talk about some coal banks once in a while. You farm boys are all worried about land banks, but if you will come up into my district I have hundreds of land banks, and so has Mr. FENTON, higher than the dome on this Capitol and if you will take them away you can have them free.

You talk about the underemployed farmers. I do not like to see people underemployed, but I have 20,000 coal miners that are not employed at all. You say the farmers income is down 25 percent, my coal miners have no income at all. That is bad, too. I have been out at the coffee bar here with the boys from Chicago, Pittsburgh, and Detroit. These farmers will not even buy you a cup of coffee. I get bowlegged around here voting for cows, horses, wheat, corn, and whatnot, but you know coal is really entitled to be in this bill because anthracite coal is nothing but carbonized and oxidized vegetation; however, the Parliamentarian says it is not germane and I cannot get a piece of this farm subsidy. When I come down here with these men from the coalfield, and there are not many of them, and say, "Please, when you talk about subsidies, think about these dozens of thousands of coal miners who are out of work," and see if we cannot warm your cold hearts here in our behalf once in a while.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, when H. R. 12 was before the conference it contained a provision that had to do with exports of cotton. The amendment was introduced by Senator EASTLAND, of Mississippi, and was approved by the Senate. It directed the Secretary of Agriculture to move cotton into export channels at competitive prices. The conferees struck out this amendment and placed language in the committee report expressing the attitude of Congress that the Secretary had the authority to do just that and that he should exercise that authority to move cotton into export channels at competitive prices. It was hoped by the Congress and by the conferees that he would move 5 million bales of cotton annually under that program. Now we learn that the Secretary has asked for bids on 600,000 bales of cotton today, not at competitive prices, oh, no, but at 27.5 cents a pound at the warehouse. It costs three quarters of a cent to get it to the port, which makes it 28.5 cents, whereas cotton under the recent 1 million bale program which was most successful moved at 25.5 cents a pound. Congress directed him to move cotton at competitive prices. He is breaking faith with this Congress and most important the cotton farmer. I do hope something can be done to move this cotton. The Secretary of Agriculture asked for bids on 600,000 bales. Only 6,400 bales were actually sold. This type of a program will not work; it is unrealistic and will not get results.

I would like to include at this point a telegram which was sent me by H. R. Adams, executive vice president of Agricultural Council of Arkansas, regarding this matter. The telegram is as follows:

WEST MEMPHIS, ARK., May 3, 1956.
Hon. E. C. GATHINGS,
House Office Building,
Washington, D. C.:

Secretary of Agriculture Benson has broken faith with farmers and intent of Congress by offering CCC cotton well above competitive world prices. Although bids were placed for 600,000 bales only 6,400 were sold. It appears administration making whipping boys out of southern cotton farmers. This is a serious matter and vigorous protest should be made.

HARVEY ADAMS,
Executive Vice President, Agricultural Council of Arkansas.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

(Mr. SMITH of Mississippi asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Mississippi. Mr. Chairman, I want to call the attention of the House to the same matter that the gentleman from Arkansas mentioned. On yesterday the action of the Department of Agriculture in connection with the cotton-export program was a complete breach of faith relative to the program that had been outlined previously by the Secretary of Agriculture. Unless this action is reversed or modified in some fashion so as to bring about an actual competitive sales program, the Secretary

will have completely broken his word to the cotton farmers of this country. It is not a question of interpretation. It is a question of whether or not he is going to do what he said he would do.

Only yesterday the chairman of the Agriculture Committee, Mr. COOLEY, and the ranking minority member, Mr. HOPE, made clear on the floor here the congressional intent that this competitive sales program be carried out. In response to a question which I asked, they both pointed out that it was the understanding of the committee that the Secretary had full authority to carry out a competitive program that would bring about exports of at least 5 million bales per year.

I am sure that if leaders of the Congress had not accepted the Secretary's word that such a program would be carried out under existing authority, specific language would have been included in this bill making it law.

Unless this situation is clarified immediately, I hope that the other body will write the provision into law. If the executive department cannot be relied upon to carry out commitments which have been made, the Congress should specifically spell out in detail our whole program.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. ALBERT].

(Mr. COOLEY asked and was given permission to yield the time allotted to him to Mr. ALBERT.)

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

[Mr. ALBERT addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CHRISTOPHER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CHRISTOPHER. Mr. Chairman, this House has not been dilatory in passing farm legislation. Day after tomorrow, it will have been a year since the House passed H. R. 12. Had that bill been passed by the Senate immediately and signed by the President, the American farmer would not find himself in the depressed condition he is in today.

The House had no further opportunity to act on farm legislation until H. R. 12 was passed by the Senate on March 16, 1956. The bill was then reported to the conferees, who reconciled the differences between the House and Senate versions to the best of their ability. On April 11, both House and Senate accepted the report of the conferees and H. R. 12 went to the President. We who believed in good farm legislation hoped and believed the President would sign this farm bill, and were greatly surprised and sorely disappointed when it met with his veto.

It would be well for the House to consider what has happened to the American farmer since 1952. Maybe it is just a coincident, but the same coincident came about in 1922 that has been having its counterpart between 1952 and the present time. It seems that these things come to pass whenever a Democratic ad-

ministration is replaced by a Republican administration.

Nineteen hundred and fifty-two was the first year in a 13-year period that the food and fiber produced on the American farm did not sell for an average price equal to 100 percent or more of parity. But in 1953 farmers' prices fell below parity and that parity ratio has fallen lower and lower each year until it now stands at 80 percent.

The average price of hogs in 1952 equalled 100 percent of parity, but during November and December of 1955, hogs sold for only 50 percent of parity. In 1952 grade A milk delivered in Kansas City sold for \$6 per hundredweight and the average price to consumers during this period was 20 cents per quart, but during 1955 the same grade A milk delivered in Kansas City brought the producer \$4 per hundredweight, although the average price to consumers was raised to 21 cents per quart.

Notwithstanding the fact that the prices of farm products were falling, thus curtailing the farmers' purchasing power and in some cases actually driving him off his farm, the cost of living was only four-tenths of 1 percent under the all-time high.

During this same period, 1952 to 1955, the prices of industrial stocks rose 62 percent; corporate profits after taxes were up 32 percent; stockholders dividends were up 19 percent; nonfarm net income was up 14 percent, but net farm income was down 23 percent. During this same period per capita income of nonfarm people rose from \$1,836 to \$1,919, a raise of \$83, but farm net income derived from farming fell from \$675 to \$551, showing a loss of \$124 in their per capita incomes.

Much has been said about the subsidy paid to the American farmer, but a check of the record will reveal the fact that between 1933 and 1955, Government subsidies to manufacturers totaled \$40.8 billion. Government subsidy to shipping accounted for almost \$5 billion; while the cost to the Government for the farm price-support program over that entire period was only \$1.2 billion. When total subsidies for all groups are considered over the past 50 years, only \$5 out of every \$1,000 paid in subsidy has gone to the American farmer.

This is by no means all the picture. The farmer has been driven more deeply into debt during the last 3½ years. In 1952 farmers owed banks \$3.05 billion, but on January 1, 1956, the farmer owed banks \$4.7 billion, a rise of \$1.65 billion since 1952. The mortgage debt against farm real estate has risen \$2.44 billion during the same period. According to Agricultural Statistics and the Agricultural Marketing Service, real estate inventory is down \$4.5 billion; livestock inventory down \$7.5 billion, and there is a loss of \$12 billion in income that he would have received had his annual income remained as high as it was in 1952.

Now, what does all this mean—he has increased his debt \$4.09 billion; he has lost \$12 billion in inventory value and another \$12 billion in income, making a total loss since 1952 of more than \$28 billion, and this during a time when

many other industries were enjoying a fair measure of prosperity.

I am glad that business, labor, and industry does have the measure of prosperity they are now enjoying, but parity prices for the food and fiber produced on the American farm is even-handed justice, and the hard-working men and women who feed and clothe this country both in time of war and time of peace, deserve the same measure of prosperity. If their purchasing power could be restored to parity, they would furnish the best market in the world for the products of industry and labor.

Take that \$12 billion loss in income as an example. Think of the building material, fencing, paint, automobiles, trucks, tractors, combines, refrigerators, television sets, and the thousand and one other articles used by the American farm family that could and would have been purchased with that \$12 billion had the farmer received it to spend.

Prosperity cannot long endure in the city if bankruptcy prevails on the farm. That was tried in the late twenties and early thirties with disastrous results.

If this income loss to the farmers had been passed on in lower prices to the city worker, it might have had some justification, but this has not been the case. The cost of living to the city worker, as I have said before, is still less than 1 percent below the all time high.

If the President had signed H. R. 12 immediately after it was approved by Congress, we would have had a good farm law in effect almost a month ago. But the President chose to disregard the fact that the House had passed this measure with a majority of 56 votes, that the Senate passed it with a majority of 15 votes, that the majority of both the House and Senate Agricultural Committees and the conferees as well, considered it good legislation. The bill before us today is only an emaciated, drawn and quartered remnant of H. R. 12. The very heart of it was removed by the Presidential veto.

The present soil bank bill contains little of benefit to the family-sized farm because on the family-sized farm, there is little or no land which can be retired from production for payments and still leave enough to pay expenses and afford a decent living for the farmer and his family. This soil bank bill is designed to aid the corporation type farm where many thousands of acres are operated under the direction of one manager. There is absolutely no limit on the amount of money which can be paid to an operator under the terms of this bill. Corporation type farms, if the acreage is extensive enough and some of them are, a single farmer could draw one-half million dollars or even \$1 million in the form of a soil bank payment. The big farmer will get the big check and the family-type farmer will wait with no check at all or one too small to be of much benefit, hoping for an increase in prices which may or may not materialize, while the mortgage takes his farm right out from under him. Then he will go to the city where he will either replace a city worker or join the ranks of the unemployed, while his farm will be incorpo-

rated into the already-too-extensive holdings of the big farmer who has been drawing the big checks and we will be one step closer to corporation-type farming and one step nearer to the elimination of the family-sized farm.

This has been happening for the past 3 years. There are 600,000 fewer farmers in the United States today than there were 3 years ago. Missouri lost 28,431 farmers during the years 1953, 1954, and 1955, and there is nothing in this bill which will reverse the trend.

The Fourth Congressional District of Missouri, which I represent, is diversified family-type farming country. During the 3-year period mentioned in the preceding paragraph, Jackson County lost 616 farmers; Henry County lost 340 farmers; Bates County lost 278 farmers; Barton County lost 243 farmers; Johnson County lost 241 farmers; Vernon County lost 224 farmers, and Lafayette County lost 106 farmers. A top adviser to Secretary Benson has said, according to press reports, that there are in the United States 2 million inefficient, submarginal farmers who should get off their farm and seek employment elsewhere. There are approximately 5 million farmers in the United States today. That means that 2 out of every 5 farm families would cease to earn a livelihood from tilling the soil.

Nothing would contribute so much to continued prosperity in our cities as parity income for the farmer. When a farmer is driven off the farm, he ceases to be a customer of the city worker and the manufacturer. He is forced to enter the city to compete with the city man for jobs that are never too plentiful.

The small business and professional men are dependent upon a prosperous agriculture for their livelihood and nothing can ruin our small towns' people as quickly as a farm depression. It was demonstrated in the early thirties that a farm depression refused to stay on the farm, and if allowed to go unchecked it would bring failure to our small town bankers, merchants, and professional people and then move on to the large cities.

I shall vote for this so-called soil-bank bill on final rollcall and shall vote against any moves to recommit it to the committee because it is all we can hope to get under present conditions. It is not good farm legislation, but half a loaf is better than no bread at all. It will be remembered that this Congress did all it possibly could to provide the American farmer with adequate legislation and only a Presidential veto prevented the farmer from receiving it.

It will also be remembered that Secretary Benson hurried down to Atlanta, Ga., with his court of jesters, used all the influence he possessed in inducing the President to veto a good farm bill, and the responsibility for the chaos rests, first, with the President of the United States for his veto of H. R. 12, and secondly, with the Secretary of Agriculture for recommending and insisting upon that veto.

It would be more than useless to send this bill back to the committee, because if the committee rewrote it and made it a good farm measure again, it would

necessarily contain the provisions to which the Secretary of Agriculture and the President both so violently opposed.

Mr. DEANE. Mr. Chairman, I rise at this time to express my hearty approval of section 203 of this new farm bill, H. R. 10875, which places squarely on the shoulders of the President of the United States the responsibility to negotiate with representatives of foreign governments in an effort to obtain agreements limiting the exports from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products which could prove harmful to American agriculture and industry.

In my congressional district of North Carolina there are many textile mills, and from these mills comes the livelihood of many thousands of my constituents. I am hearing from millowners and operators in all sections of my district that the present rate of textile imports into this country from Japan is having a very disastrous effect on our textile industry, and unless the present national administration takes effective action to change this situation, we will soon be hearing of many textile-mill failures.

This bill, which we are voting for here today, Mr. Speaker, will place the responsibility for this textile import situation exactly where it belongs; namely, on the President. As the Chief Executive, he is in the best position to size up the extent of our textile problem from time to time and adjust or shut off the flow of foreign imports into this country which will adversely affect our domestic textile industry.

I gladly vote for and support section 203 of H. R. 10875, and upon the passage of this bill by Congress, I urge the national administration to take prompt and affirmative action to implement section 203 and bring about the protection which our American textile industry so badly needs.

The CHAIRMAN. All time has expired. If there are no further amendments to be offered, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956 pursuant to House Resolution 492, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. HALLECK. Mr. Speaker, I ask for a separate vote on the Albert amendment and on the Abernethy amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert ", including grazing lands."

Page 9, line 24, strike out "or", insert a comma, and insert after "acres," the words "or other standards,".

Page 12, line 4, after "\$23,000,000", insert "grazing lands, \$50,000,000."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 199, nays 195, answered "present" 1, not voting 38, as follows:

[Roll No. 39]

YEA—199

Abbitt	Forrester	Natcher
Abernethy	Fountain	Norrell
Addonizio	Frazier	O'Brien, Ill.
Albert	Gary	O'Brien, N. Y.
Alexander	Gathings	O'Hara, Ill.
Andrews	Gordon	O'Neill
Anfuso	Granahan	Patman
Ashmore	Gray	Perkins
Aspinall	Green, Oreg.	Pfost
Bailey	Green, Pa.	Pilcher
Barrett	Hagen	Poage
Bass, Tenn.	Hardy	Polk
Belcher	Harris	Powell
Bell	Harrison, Va.	Preston
Bennett, Fla.	Hays, Ark.	Price
Blatnik	Hays, Ohio	Priest
Boggs	Healey	Quigley
Bolling	Holifield	Rabaut
Bonner	Holland	Rees, Kans.
Bowler	Horan	Reuss
Brooks, La.	Huddleston	Rhodes, Ariz.
Brooks, Tex.	Hull	Rhodes, Pa.
Brown, Ga.	Ikard	Richards
Burdick	Jarman	Riley
Burleson	Jennings	Rivers
Burnside	Johnson, Wis.	Roberts
Byrne, Pa.	Jones, Ala.	Robeson, Va.
Cannon	Jones, Mo.	Rodino
Carnahan	Jones, N. C.	Rogers, Colo.
Celler	Karsten	Rogers, Fla.
Chelf	Kee	Rogers, Tex.
Christopher	Kelley, Pa.	Rooney
Chudoff	Kelly, N. Y.	Roosevelt
Clark	Keogh	Rutherford
Colmer	Kilday	Selden
Cooley	Kilgore	Shelley
Cooper	King, Calif.	Sheppard
Davidson	Kirwan	Shuford
Davis, Ga.	Klein	Sieminski
Davis, Tenn.	Kluczynski	Sikes
Dawson, Ill.	Knutson	Sisk
Deane	Landrum	Smith, Kans.
Dempsey	Lanham	Smith, Miss.
Denton	Lankford	Smith, Va.
Dies	Lesinski	Spence
Diggs	Long	Staggers
Dingell	McCarthy	Steed
Dollinger	McCormack	Sullivan
Dorn, S. C.	McDowell	Teague, Tex.
Dowdy	McMillan	Thomas
Doyle	Machrowicz	Thompson, La.
Durham	Mack, Ill.	Thompson, N. J.
Eberharter	Madden	Thompson, Tex.
Edmondson	Magnuson	Thomson, Wyo.
Elliott	Mahon	Thornberry
Engle	Marshall	Trimble
Evins	Metcalfe	Tuck
Fascell	Mills	Tumulty
Feighan	Morgan	Udall
Fernandez	Moss	Vinson
Fisher	Moulder	Walter
Flood	Multer	Watts
Flynt	Murray, Ill.	Wickersham
Forand	Murray, Tenn.	Wier

Williams, Miss. Wright
Williams, N. J. Young
Winstead

NAYS—195

Adair	Ellsworth	Merrow
Alger	Fallon	Miller, Md.
Allen, Calif.	Fenton	Miller, Nebr.
Allen, Ill.	Fino	Miller, N. Y.
Andersen,	Fjare	Minshall
H. Carl	Fogarty	Morano
Andresen,	Ford	Mumma
August H.	Frelinghuysen	Nicholson
Arends	Friedel	Norblad
Ashley	Fulton	O'Konski
Auchincloss	Gamble	Osmer
Avery	Gavin	Ostertag
Ayres	Gentry	Patterson
Baker	George	Pelly
Baldwin	Gross	Philbin
Bass, N. H.	Hale	Phillips
Bates	Halleck	Pillion
Baumhart	Hand	Poff
Beamer	Harden	Prouty
Becker	Harrison, Nebr.	Radwan
Bennett, Mich.	Harvey	Ray
Bentley	Hébert	Reece, Tenn.
Berry	Henderson	Riehlman
Betts	Heseltan	Robison, Ky.
Boland	Hess	Rogers, Mass.
Bolton,	Hiestand	Sadlak
Frances P.	Hill	St. George
Bolton,	Hillings	Saylor
Oliver P.	Hinshaw	Schenck
Bosch	Hoeven	Scherer
Bow	Holmes	Schwengel
Boyle	Holt	Scott
Bray	Holtzman	Scrivner
Brown, Ohio	Hope	Scudder
Broyhill	Hosmer	Seely-Brown
Budge	Hyde	Sheehan
Bush	Jackson	Short
Byrnes, Wis.	James	Siler
Canfield	Jensen	Simpson, Ill.
Carriagg	Johansen	Smith, Wis.
Cederberg	Johnson, Calif.	Springer
Chase	Jonas	Taber
Chenoweth	Judd	Talle
Chilperfield	Kean	Taylor
Church	Kearney	Teague, Calif.
Clevenger	Keating	Thompson,
Coon	Kilburn	Mich.
Corbett	King, Pa.	Tollefson
Coudert	Knox	Utt
Cramer	Krueger	Vanik
Cretella	Laird	Van Zandt
Crumpacker	Latham	Velde
Cunningham	LeCompte	Vorys
Curtis, Mass.	Lipscomb	Vursell
Curtis, Mo.	Lovre	Wainwright
Dague	McConnell	Weaver
Davis, Wis.	McCulloch	Westland
Dawson, Utah	McDonough	Wharton
Delaney	McGregor	Widnall
Devereux	McIntire	Wigglesworth
Dixon	McVey	Wilson, Calif.
Dodd	Macdonald	Wilson, Ind.
Dolliver	Mack, Wash.	Withrow
Dondero	Maillard	Wolverton
Donohue	Martin	Yates
Donovan	Mason	Younger
Dorn, N. Y.	Meador	Zablocki

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden	Gubser	Morrison
Blitch	Gwinn	Nelson
Boykin	Haley	O'Hara, Minn.
Brownson	Hayworth	Passman
Buckley	Herlong	Rains
Byrd	Hoffman, Ill.	Reed, N. Y.
Carlyle	Hoffman, Mich.	Simpson, Pa.
Chatham	Jenkins	Van Pelt
Cole	Kearns	Whitten
Derounian	Lane	Williams, N. Y.
Grant	Matthews	Willis
Gregory	Miller, Calif.	Wolcott
Griffiths	Molohan	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hayworth for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.

Mr. Miller of California for, with Mr. Van Pelt against.

Mr. Boykin for, with Mr. Gubser against.

Mr. Chatham for, with Mr. Williams of New York against.

Mr. Herlong for, with Mr. Gwinn against.

Mr. Passman for, with Mr. Wolcott against.

Mrs. Blitch for, with Mr. Garmatz against.

Mr. Morrison for, with Mr. Reed of New York against.

Until further notice:

Mr. Grant with Mr. O'Hara of Minnesota.

Mr. Barden with Mr. Hoffman of Michigan.

Mr. Byrd with Mr. Brownson.

Mr. Matthews with Mr. Cole.

Mr. GARMATZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Messrs. FORAND, ROGERS of Florida, FASCELL, and POWELL changed their vote from "nay to "yea."

Messrs. KNOX, DAWSON of Utah, BERRY, DIXON, KRUEGER, and COON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 51, after line 17, insert a new section reading as follows:

"SEC. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 186, nays 208, answered "present" 1, not voting 38, as follows:

[Roll No. 40]

YEAS—186

Abbott	Dempsey	Hull
Abernethy	Denton	Ikard
Addonizio	Dies	Jarman
Albert	Diggs	Jennings
Alexander	Dingell	Johnson, Wis.
Andrews	Dollinger	Jonas
Anfuso	Dorn, S. C.	Jones, Ala.
Ashmore	Dowdy	Jones, Mo.
Aspinall	Doyle	Jones, N. C.
Bailey	Durham	Karsten
Barrett	Eberhart	Kee
Bass, Tenn.	Edmondson	Kelley, Pa.
Bell	Ellott	Keogh
Bennett, Fla.	Engle	Kilday
Blatnik	Evin	Kilgore
Boggs	Felghan	Kling, Calif.
Bolling	Fernandez	Klein
Bonner	Fisher	Kluczynski
Bowler	Flood	Knutson
Brooks, La.	Flynt	Landrums
Brooks, Tex.	Forand	Lanham
Brown, Ga.	Forrester	Lankford
Burdick	Fountain	Lesinski
Burleson	Frazier	Long
Burnside	Gary	McCarthy
Byrne, Pa.	Gathings	McCormack
Cannon	Gentry	McDowell
Carnahan	Granahan	McMillan
Celler	Gray	Machrowicz
Chelf	Green, Oreg.	Madden
Christopher	Green, Pa.	Magnuson
Chudoff	Hagen	Mahon
Clark	Hardy	Marshall
Colmer	Harris	Metcalfe
Cooley	Hays, Ark.	Mills
Cooper	Hays, Ohio	Morgan
Davidson	Healey	Moss
Davis, Ga.	Hébert	Moulder
Davis, Tenn.	Holifield	Multer
Dawson, Ill.	Holland	Murray, Ill.
Deane	Huddleston	Murray, Tenn.

Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Qulgey
Rabaut
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riley

Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Miss.
Smith, Va.
Spence
Staggers
Steed

Sullivan
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Udall
Vinson
Walter
Watts
Whitten
Wickersham
Wier
Williams, Miss.
Winstead
Wright
Zelenko

NAYS—208

Adair	Fenton	Morano
Alger	Fino	Mumma
Allen, Calif.	Fjare	Nicholson
Allen, Ill.	Fogarty	Norblad
Andersen,	Ford	O'Konski
H. Carl	Frelinghuysen	Osmer
Andresen,	Friedel	Ostertag
August H.	Fulton	Patterson
Arends	Gamble	Pelly
Ashley	Gavin	Philbin
Auchincloss	George	Phillips
Avery	Gross	Pillion
Ayres	Hale	Poff
Baker	Halleck	Powell
Baldwin	Hand	Prouty
Bass, N. H.	Harden	Radwan
Bates	Harrison, Nebr.	Ray
Baumhart	Harrison, Va.	Reece, Tenn.
Beamer	Harvey	Reed, N. Y.
Becker	Henderson	Rees, Kans.
Belcher	Heseltan	Reuss
Bennett, Mich.	Hess	Riehlman
Bentley	Hiestand	Robison, Ky.
Berry	Hill	Rogers, Fla.
Betts	Hillings	Rogers, Mass.
Boland	Hinshaw	Sadlak
Bolton,	Hoeven	St. George
Frances P.	Holmes	Saylor
Bolton,	Holt	Schenck
Oliver P.	Holtzman	Scherer
Bosch	Hope	Schwengel
Bow	Horan	Scott
Boyle	Hosmer	Scrivner
Bray	Hyde	Scudder
Brown, Ohio	Jackson	Seely-Brown
Broyhill	James	Sheehan
Budge	Jensen	Short
Bush	Johansen	Siler
Byrnes, Wis.	Johnson, Calif.	Simpson, Ill.
Canfield	Judd	Smith, Kans.
Carriagg	Kean	Smith, Wis.
Cederberg	Kearney	Springer
Chase	Keating	Taber
Chenoweth	Kelly, N. Y.	Talle
Chilperfield	Kilburn	Taylor
Church	Kling, Pa.	Teague, Calif.
Clevenger	Knox	Thompson,
Cole	Krueger	Mich.
Coon	Laird	Thomson, Wyo.
Corbett	Latham	Tollefson
Coudert	LeCompte	Utt
Cramer	Lipscomb	Vanik
Cretella	Lovre	Van Zandt
Crumpacker	McConnell	Velde
Cunningham	McCulloch	Vorys
Curtis, Mass.	McDonough	Vursell
Curtis, Mo.	McGregor	Wainwright
Dague	McIntire	Weaver
Davis, Wis.	McVey	Westland
Dawson, Utah	Macdonald	Wharton
Delaney	Mack, Ill.	Widnall
Devereux	Mack, Wash.	Wigglesworth
Dixon	Maillard	Williams, N. J.
Dolliver	Martin	Wilson, Calif.
Dondero	Mason	Wilson, Ind.
Donohue	Meador	Withrow
Donovan	Merrow	Wolverton
Dorn, N. Y.	Miller, Md.	Yates
Ellsworth	Miller, Nebr.	Young
Fallon	Miller, N. Y.	Younger
Fascell	Minshall	Zablocki

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden	Byrd	Gordon
Blitch	Carlyle	Grant
Boykin	Chatham	Gregory
Brownson	Curtis, Mo.	Griffiths
Buckley	Derounian	Gubser

Gwinn	Kirwan	Passman
Haley	Lane	Rains
Hayworth	Matthews	Simpson, Pa.
Herlong	Miller, Calif.	Van Pelt
Hoffman, Ill.	Mollohan	Williams, N. Y.
Hoffman, Mich.	Morrison	Willis
Jenkins	Nelson	Wolcott
Kearns	O'Hara, Minn.	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Willis for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.

Mr. Boykin for, with Mr. Van Pelt against.

Mr. Chatham for, with Mr. Gubser against.

Mr. Rains for, with Mr. Williams of New York against.

Mr. Herlong for, with Mr. Gwinn against.

Mr. Carlyle for, with Mr. Wolcott against.

Mrs. Blitch for, with Mr. Garmatz against.

Mr. Kirwan for, with Mr. Curtis of Missouri against.

Until further notice:

Mr. Morrison with Mr. Nelson.

Mr. Grant with Mr. Hoffman of Michigan.

Mr. Barden with Mr. Brownson.

Mr. Byrd with Mr. O'Hara of Minnesota.

Mr. GARMETZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia, Mrs. BLITCH. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MORANO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MORANO. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MORANO moves that the bill be recommitment to the Committee on Agriculture with instructions to report the bill back forthwith with the following amendment:

Page 25, line 2, after "116" insert "(a)".

Line 8, after the end of the section insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which will become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 40 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. COOLEY. Mr. Speaker, on the motion to recommit I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas, 184 nays, 211 not voting 38, as follows:

[Roll No. 41]

YEAS—184

Adair	Fenton	Munma
Alger	Fino	Nicholson
Allen, Calif.	Fjare	Norblad
Allen, Ill.	Ford	O'Konski
Andersen,	Frelinghuysen	Osmers
H. Carl	Gamble	Ostertag
Andresen,	Gavin	Patterson
August H.	George	Pelly
Arends	Gross	Phillips
Auchincloss	Hale	Pillion
Avery	Halleck	Poff
Ayres	Hand	Prouty
Baker	Harden	Radwan
Baldwin	Harrison, Nebr.	Ray
Bass, N. H.	Harvey	Reece, Tenn.
Bates	Henderson	Reed, N. Y.
Baumhart	Heselson	Rees, Kans.
Beamer	Hess	Rhodes, Ariz.
Becker	Hiestand	Riehlman
Belcher	Hill	Robison, Ky.
Bennett, Mich.	Hillings	Rogers, Mass.
Bentley	Hinshaw	Sadiak
Berry	Hoeven	St. George
Betts	Holmes	Saylor
Bolton,	Holt	Schenck
Frances P.	Hope	Scherer
Bolton,	Horan	Schwengel
Oliver P.	Hosmer	Scott
Bosch	Hyde	Scrivner
Bow	Jackson	Scudder
Bray	James	Seely-Brown
Brooks, La.	Jensen	Sheehan
Brown, Ohio	Johansen	Short
Broyhill	Johnson, Calif.	Siler
Budge	Jonas	Simpson, Ill.
Bush	Judd	Smith, Kans.
Byrnes, Wis.	Kean	Smith, Wis.
Canfield	Kearney	Springer
Carrigg	Keating	Taber
Cederberg	Kilburn	Talle
Chase	Knox	Taylor
Chenoweth	Krueger	Teague, Calif.
Chiperfield	Laird	Thompson,
Church	Latham	Mich.
Clevenger	LeCompte	Thomson, Wyo.
Cole	Lipscorn	Tolliefson
Coon	Lovre	Utt
Corbett	McConnell	Van Zandt
Coudert	McCulloch	Velde
Cramer	McDonough	Vorys
Cretella	McGregor	Vursell
Crumacker	McIntire	Wainwright
Cunningham	McVey	Weaver
Curtis, Mass.	Mack, Wash.	Westland
Dague	Mailliard	Wharton
Davis, Wis.	Martin	Widnall
Dawson, Utah	Meador	Wigglesworth
Devereux	Merron	Wilson, Calif.
Dixon	Miller, Md.	Wilson, Ind.
Dolliver	Miller, Nebr.	Withrow
Dondoro	Miller, N. Y.	Wolverton
Dorn, N. Y.	Minshall	Young
Ellsworth	Morano	Younger

NAYS—211

Abbutt	Burleson	Dollinger
Abernethy	Burnside	Donohue
Addonizio	Byrne, Pa.	Donovan
Albert	Cannon	Dorn, S. C.
Alexander	Carnahan	Dowdy
Andrews	Celler	Doyle
Anfuso	Chelf	Durham
Ashley	Christopher	Eberharter
Ashmore	Chudoff	Edmondson
Aspinall	Clark	Elliot
Bailey	Coimer	Engle
Barrett	Cooley	Evins
Bass, Tenn.	Cooper	Fallon
Bell	Davidson	Fascell
Bennett, Fla.	Davis, Ga.	Feighan
Blatnik	Davis, Tenn.	Fernandez
Boggs	Dawson, Ill.	Fisher
Boland	Deane	Flood
Bolling	Delancy	Flynt
Bonner	Dempsey	Fogarty
Bowler	Denton	Forand
Boyle	Dies	Forrester
Brooks, Tex.	Diggs	Fountain
Brown, Ga.	Dingell	Frazier
Burdick	Dodd	Friedel

Fulton	McCarthy	Rodino
Garmatz	McCormack	Rogers, Colo.
Gary	McDowell	Rogers, Fla.
Gathings	McMillan	Rogers, Tex.
Gentry	Macdonald	Rooney
Gordon	Machrowicz	Roosevelt
Granahan	Mack, Ill.	Rutherford
Gray	Madden	Selden
Green, Oreg.	Magnuson	Shelley
Green, Pa.	Mahon	Sheppard
Hagen	Marshall	Shuford
Hardy	Mason	Sieminski
Harris	Metcalf	Sikes
Harrison, Va.	Millis	Sisk
Hays, Ark.	Morgan	Smith, Miss.
Hays, Ohio	Moss	Smith, Va.
Healey	Moulder	Spence
Hébert	Muiter	Staggers
Hollfield	Murray, Ill.	Steed
Holland	Murray, Tenn.	Sullivan
Holtzman	Natcher	Teague, Tex.
Huddleston	Norrell	Thomas
Huil	O'Brien, Ill.	Thompson, La.
Ikard	O'Brien, N. Y.	Thompson, N. J.
Jarman	O'Hara, Ill.	Thompson, Tex.
Jennings	O'Neill	Thornberry
Johnson, Wis.	Patman	Trimble
Jones, Ala.	Perkins	Tuck
Jones, Mo.	Pfost	Tumulty
Jones, N. C.	Philbin	Udall
Karsten	Pilcher	Vanik
Kee	Poage	Vinson
Kelley, Pa.	Polk	Waiter
Kelly, N. Y.	Powell	Watts
Keogh	Preston	Whitten
Kilday	Price	Wickersham
Kilgore	Priest	Wier
King, Calif.	Quigley	Williams, Miss.
King, Pa.	Rabaut	Williams, N. J.
Klein	Reuss	Winstead
Kluczynski	Rhodes, Pa.	Wright
Knutson	Richards	Yates
Landrum	Riley	Zablocki
Lanham	Rivers	Zelenko
Lankford	Roberts	
Lesinski	Robeson, Va.	

NOT VOTING—38

Barden	Gubser	Miller, Calif.
Blitch	Gwinn	Mollohan
Boykin	Haley	Morrison
Brownson	Hayworth	Nelson
Buckley	Herlong	O'Hara, Minn.
Byrd	Hoffman, Ill.	Passman
Carlyle	Hoffman, Mich.	Rains
Chatham	Jenkins	Simpson, Pa.
Curtis, Mo.	Kearns	Van Pelt
Derounian	Kirwan	Williams, N. Y.
Grant	Lane	Willis
Gregory	Long	Wolcott
Griffiths	Matthews	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Simpson of Pennsylvania for, with Mr. Hayworth against.

Mr. Jenkins for, with Mr. Gregory against.

Mr. Derounian for, with Mr. Buckley against.

Mr. Kearns for, with Mr. Curtis of Missouri against.

Mr. Hoffman of Illinois for, with Mr. Boykin against.

Mr. Van Pelt for, with Mr. Byrd against.

Mr. Gubser for, with Mr. Miller of California against.

Mr. Williams of New York for, with Mrs. Griffiths against.

Mr. Gwinn for, with Mr. Rains against.

Mr. Wolcott for, with Mr. Kirwan against.

Mr. Herlong for, with Mr. Grant against.

Until further notice:

Mr. Morrison with Mr. Brownson.

Mr. Chatham with Mr. Nelson.

Mr. Barden with Mr. O'Hara of Minnesota.

Mr. Carlyle with Mr. Hoffman of Michigan.

Mr. BOSCH, Mr. BOW, and Mr. TABER changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 314, nays 78, not voting 41, as follows:

[Roll No. 42]
YEAS—314

Abbott	Dondero	McCormack
Abernethy	Dorn, S. C.	McCulloch
Adair	Dowdy	McDonough
Addonizio	Doyle	McDowell
Albert	Durham	McGregor
Alexander	Eberharter	McIntire
Allen, Calif.	Edmondson	McMillan
Allen, Ill.	Elliott	McVey
Andersen,	Ellsworth	Machrowicz
H. Carl	Engle	Mack, Ill.
Andresen,	Evlms	Mack, Wash.
August H.	Felghan	Madden
Andrews	Fenton	Magnuson
Anfuso	Fernandez	Mahon
Arends	Fisher	Maillard
Ashley	Fjare	Marshall
Ashmore	Flood	Martin
Aspinall	Flynt	Mason
Auchincloss	Fogarty	Meador
Avery	Forand	Metcalfe
Ayres	Ford	Miller, Md.
Baker	Forrester	Miller, Nebr.
Baldwin	Fountain	Mills
Barrett	Frazier	Minshall
Bass, Tenn.	Frelinghuysen	Morgan
Baumhart	Gathings	Moss
Beamer	Gentry	Moulder
Belcher	George	Multer
Bell	Gordon	Murray, Ill.
Bennett, Fla.	Granahan	Murray, Tenn.
Bennett, Mich.	Gray	Natcher
Bentley	Green, Oreg.	Nicholson
Berry	Green, Pa.	Norblad
Betts	Gross	Norrell
Blatnik	Hagen	O'Brien, Ill.
Boggs	Hale	O'Hara, Ill.
Boland	Halleck	O'Konski
Bolling	Harden	Patman
Bolton,	Hardy	Patterson
Frances P.	Harris	Pelly
Bolton,	Harrison, Nebr.	Perkins
Oliver P.	Harrison, Va.	Pfost
Bonner	Harvey	Pilcher
Bow	Hays, Ark.	Poage
Bowler	Hays, Ohio	Poff
Boyle	Healey	Polk
Bray	Henderson	Powell
Brooks, La.	Hill	Preston
Brooks, Tex.	Hillings	Price
Brown, Ga.	Hoeven	Priest
Brown, Ohio	Hollfield	Quigley
Broyhill	Holland	Rabaut
Budge	Holmes	Reece, Tenn.
Burdick	Holtzman	Rees, Kans.
Burelson	Hope	Reuss
Burnside	Horan	Rhodes, Ariz.
Bush	Hosmer	Rhodes, Pa.
Byrne, Pa.	Huddleston	Richards
Byrnes, Wis.	Hull	Riley
Cannon	Hyde	Rivers
Carnahan	Ikard	Roberts
Carrigg	Jarman	Robeson, Va.
Cederberg	Jennings	Robson, Ky.
Celler	Jensen	Rodino
Chase	Johansen	Rogers, Colo.
Chelf	Johnson, Calif.	Rogers, Tex.
Chenoweth	Johnson, Wis.	Rooney
Chipfield	Jonas	Roosevelt
Christopher	Jones, Ala.	Rutherford
Chudoff	Jones, Mo.	Sadlak
Church	Jones, N. C.	Schenck
Clark	Judd	Schwengel
Colmer	Karsten	Scrivner
Cooley	Kee	Scudder
Coon	Kelley, Pa.	Seely-Brown
Cooper	Keogh	Selden
Cunningham	Kilday	Sheehan
Davidson	Kilgore	Shelley
Davis, Ga.	Kling, Calif.	Sheppard
Davis, Tenn.	Klein	Shuford
Davis, Wis.	Kluczynski	Sieminski
Dawson, Ill.	Knox	Sikes
Dawson, Utah	Knutson	Siler
Deane	Krueger	Simpson, Ill.
Dempsey	Laird	Sisk
Denton	Landrum	Smith, Kans.
Devereux	Lanham	Smith, Miss.
Dies	Lankford	Smith, Va.
Diggs	LeCompte	Smith, Wis.
Dingell	Lesinski	Spence
Dixon	Lipscomb	Springer
Dodd	Long	Staggers
Dollinger	Lovre	Steed
Dolliver	McCarthy	Sullivan

Talle	Vanik
Thomas	Velde
Thompson, La.	Vinson
Thompson, Mich.	Vursell
Thompson, N. J.	Watts
Thompson, Tex.	Weaver
Thomson, Wyo.	Westland
Thornberry	Whitten
Tollefson	Wickersham
Trimble	Widnall
Tuck	Wier
Tumulty	Wigglesworth

NAYS—78

Alger	Gary
Bass, N. H.	Gavin
Bates	Hand
Becker	Hébert
Bosch	Heslton
Canfield	Hicstand
Clevenger	Hinshaw
Cole	Holt
Corbett	Jackson
Coudert	James
Cramer	Kean
Cretella	Kearney
Crumppacker	Keating
Curtis, Mass.	Kelly, N. Y.
Dague	Kilburn
Delaney	King, Pa.
Donohue	Latham
Donovan	McConnell
Dorn, N. Y.	Macdonald
Fallon	Morrow
Fassell	Miller, N. Y.
Flno	Morano
Friedel	Mumma
Fulton	O'Brien, N. Y.
Gamble	O'Neill
Garmatz	Osmer

NOT VOTING—41

Bailey	Gubser	Mollohan
Barden	Gwinn	Morrison
Blich	Haley	Nelson
Boykin	Hayworth	O'Hara, Minn.
Brownson	Herlong	Passman
Buckley	Hess	Rains
Byrd	Hoffman, Ill.	Simpson, Pa.
Carlyle	Hoffman, Mich.	Teague, Tex.
Chatham	Jenklins	Van Pelt
Curtis, Mo.	Kearns	Vorys
Derounian	Kirwan	Williams, N. Y.
Grant	Lane	Willis
Gregory	Matthews	Wolcott
Griffiths	Miller, Calif.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Jenkins for, with Mr. Curtis of Missouri against.

Mr. Gregory for, with Mr. Gwinn against.

Mrs. Blich for, with Mr. Herlong against.

Mr. Buckley for, with Mr. Hess against.

Until further notice:

Mr. Miller of California with Mr. Simpson of Pennsylvania.

Mr. Chatham with Mr. Van Pelt.

Mr. Matthews with Mr. Hoffman of Michigan.

Mr. Willis with Mr. Derounian.

Mr. Borden with Mr. Gubser.

Mr. Chatham with Mr. Brownson.

Mr. Hayworth with Mr. O'Hara of Minnesota.

Mr. Haley with Mr. Vorys.

Mrs. Griffiths with Mr. Kearns.

Mr. Morrison with Mr. Wolcott.

Mr. Passman with Mr. Nelson.

Mr. Rains with Mr. Williams of New York.

Mr. Boykin with Mr. Hoffman of Illinois.

Messrs. JACKSON and HINSHAW changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

IMMIGRATION AND NATIONALITY ACT OF 1952

(Mr. CRETELLA (at the request of Mr. MARTIN) was given permission to ex-

tend his remarks at this point in the RECORD.)

Mr. CRETELLA. Mr. Speaker, on May 2, under unanimous-consent order, I was given permission to extend my remarks in the RECORD, and I was then speaking on the Immigration and Nationality Act of 1952.

In the last line of the first complete paragraph of column 2, page 6596, the sentence reads: "in short, isolationism has taken its last breath in a never-shrinkage world." This is an error, as the RECORD should have read: "in short, isolationism has taken its last breath in an ever-shrinking world."

I ask unanimous consent accordingly that the RECORD be corrected.

CORRECTION OF RECORD

Mr. WILLIAMS of Mississippi. Mr. Speaker, on page 6564 of the RECORD of yesterday in a colloquy between the gentleman from Georgia [Mr. PRESTON] and myself relating to the Federal Airport Act, the words "Air Force" appears where "airports" should appear. I ask unanimous consent that where the words "Air Force" appear the word "airports" be substituted in the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

BANK PROTECTION FOR FLOOD CONTROL

(Mr. ELLSWORTH asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ELLSWORTH. Mr. Speaker, I have today introduced a bill to amend the existing flood-control laws relating to the Federal Government's jurisdiction and responsibilities as to channel improvement or channel rectification for flood control. Such flood works are for the purpose of improving the flow of waters within the river channels and to protect the river banks against erosion with destruction to adjoining farmlands. During the early 1930's emergency funds were used for channel improvement and bank protection for flood control. With the enactment of the Flood Control Act of 1936 Federal policy on flood control was written and the jurisdiction given to the Corps of Engineers of the Army. This act provided for the use of Federal funds in cooperation with State and local agencies for the construction of flood works including channel improvement and bank protection projects but required that State and local governments would provide all lands, easements and rights-of-way necessary for construction of the project, assume the obligation for any damages due to the construction works, and finally to maintain and operate all works after completion in accordance with regulations prescribed by the Corps of Engineers.

In 1938 the Congress amended the flood-control law, completely reversing its policy in regard to the responsibility of State and local governments. Under this act the Federal Government agreed to assume all costs for the construction of dams, reservoirs, channel improvement, and bank protection including the

and to thus complete in the year 1958 the Hillsboro Channel portion of the project will see even more benefit savings. Figures now available clearly show that use of the Hillsboro-Tampa channel portion of the project is herein proposed at the projected tonnage rate to be shown later indicate that \$1,500,000 per year will be saved at that time. Therefore the additional amount requested above the earlier request will be fully justified by this additional saving. Estimates of the benefit-cost ratio have now been placed at 3.38 to 1 on this segment of the channel and I feel sure that this is a conservative figure.

There follows a summarization of the figures used above:

Schedule A

Fiscal 1956 appropriation for Tampa Harbor project-----	\$977,000
Actual expenditures:	
Hopper dredging-----	280,000
Hydraulic dredging-----	785,000
Engineering-----	130,000
Supervision and engineering--	87,000
Total expenditure-----	1,282,000
Advanced by U. S. Army engineers (to permit contract performance)-----	305,000
Total-----	1,282,000
Funds required, fiscal 1957:	
Repayment of advance by U. S. Army engineers to project---	305,000
U. S. Army engineers (supervision and administration)---	174,000
Payment to Standard Dredging Corp. to complete work on \$3.1 million contract covering dredging on cuts A-F Tampa Bay channels (\$785,000 of contract will be completed in 1955-56)—ful contract to be completed early 1957-----	2,315,000
Subtotal-----	2,794,000
Request 1957 budget-----	2,500,000
Additional required-----	294,000
Pro rata portion of second contract and required in early 1957 to permit work on dredging to continue without extra cost of activation and deactivation which would raise this estimated bid—4 months' work to June 30, 1957-----	500,000
5 months work by U. S. Army engineers hopper dredge on Egmont and Mullet Key channels—includes supervision and administration cost-----	625,000
Total additional funds required over budget request of \$2.5 million for 1957-----	1,519,000
Total recommended as appropriation for 1957-----	4,000,000

NOTE.—These figures are as prepared by the U. S. Army engineers and are consistent with testimony by them before the Subcommittee on Public Works of the Senate Appropriations Committee. They include figures not available prior to April 21, 1956.

Many of the persons from the Tampa Bay area personally appeared before the

committees last year and testified that the start of this project, in their opinion, would unquestionably accelerate harbor growth. It is astounding proof of this that, according to port authority estimates 2 months ago, \$5,500,000 in new and port facilities have been committed during calendar year 1955. This figure can now be placed in excess of \$10 million. Yet this is only the beginning of the tremendous industrial and commercial program which has been indicated by the commencement of this harbor project. Exemplary is announcement in the last 2 weeks of construction of a new industrial-molasses tank and dock, fully substantiating the judgment of this committee for this growth that unquestionably shows the local community is fulfilling its obligation in making full use of the new opportunities afforded it by the Tampa Harbor improvements.

In 1954, the port of Tampa had a total tonnage of 9,813,000 tons. In 1955 it is conservatively estimated that this has increased over 7 percent to over 10,500,000 tons. Exact figures have not yet been completed. This is far in excess of the Army engineers' estimates made in 1948. The estimated port tonnage in the calendar year of 1959 of 15 million tons based on this 7.6 percent annual increase is a conservative estimate. For example, it is known that within the next 3 years there will be additional port tonnage from new industries—which has not been taken into consideration in the normal port growth—of 3,500,000 tons per year. This would consist of approximately 2,500,000 tons of petroleum and petroleum products which would result from new terminal facilities and the first oil refinery in the port of Tampa; coal of 750,000 tons from a new electric generating plant, using coal for fuel; and other products of 250,000 tons. This again is very conservative. New barge terminals have just been completed for the transport of steel, grain, and general cargo.

This would mean that, by the calendar year 1959 it could well be and probably will be, the port of Tampa will have annual tonnage of 18 million to 19 million tons, providing harbor improvements progress rapidly, continuing to encourage its growth. It is this year in which the economic return will truly manifest itself and justify orderly and early completion of the project.

The most recent figures available indicate that projected estimates have been conservative. Port tonnage for the first 2 months in 1956 were 22 percent above that of last year and increased 345,000 from 1,529,000 tons in 1955 to 1,853,000 tons in 1956. Final figures for 1955 have not been completed by the engineers but their present indications are that total tonnage for 1955 will exceed 10,500,000 tons and continue to be well in excess of the projected growth factor of 7.6 percent per annum as estimated by the engineers.

Even more amazing figures of the growth of this port are indicated in the receipts of customs duties. In the first quarter of 1956 receipts were \$1,091,000, some \$373,000 over the same period in

1955, or a gain of 52 percent in 1 year's time.

The increase and growth of industry in this area and its tremendously increasing population has greatly increased the use of petroleum and other products. In 1954 the petroleum usage of the port was 4,579,000 tons. Upon facts now known, the increase in petroleum in 1955 was in excess of the 10 percent estimated by the port authority based upon 1954 figures. With the known new industrial facilities that are coming into being in this area, by 1959 it is entirely reasonable to assume that there would be over 8 million tons of petroleum and petroleum products passing through the port of Tampa.

The usage of this port by coastwise trade is progressing rapidly. In the 5-year period, 1949 to 1954, the average annual increase in tonnage was 9.1 percent. Projecting a growth of 5 percent a year over the 1954 tonnage of 5,477,000 shows that there would be coastwise trade in 1959 of over 7 million tons. This is an entirely reasonable projection of growth and, as a matter of fact, it is obviously conservative when the factors of new industries are taken into account.

Over 75 percent of phosphate produced in the world is produced within a radius of 80 miles of this port. In 1949, 5,477,000 tons of phosphate were exported through this port. I believe it of interest to your committee that this area served by the port of Tampa is increasing in its population at the rate of over 6 percent per year. This is one of the most rapidly expanding areas in the United States. Moreover, this rapid expansion is reflected in the industrial growth of this area. Since the apparent start of this project in early 1955, over \$70 million in new deepwater industrial construction has been started or definitely committed.

In 1956 additional industrial construction utilizing Tampa Harbor is underway.

All this is indicative of the fact that the phenomenal growth of this area renders estimates of port growth and usage almost unpredictable. Yet, it is apparent that the estimated annual port tonnage in 1959 of 15 million tons is most conservative. Using this basis of annual tonnage of 15 million tons, the direct economic benefits and annual savings resulting from completion of this harbor project will be approximately \$2,230,000. Thus, in using the criteria used by the Corps of Engineers in their determination, the benefit-cost ratio as fixed by the Hillsboro County Port Authority is 5 to 1 and would give to this project an unusually high benefit-cost ratio. The Army engineers in 1954 fixed benefit-cost ratio at 2.25 to 1. This has now been raised to 2.6 to 1 by testimony this year before the committees.

I urge the Congress, based upon the figures presented here and by the United States Army engineers, to provide this appropriation in the additional amount needed above that of the budget request in order that economy of operation will be served and that an orderly program of development of this vital project can be brought about. The work in this im-

portant harbor is of great importance. The present inadequate channels have placed the port in the status of a second-class harbor and the only sizable port between Norfolk and New Orleans with less than 34 feet channel depth. At the same time Tampa Harbor has more annual tonnage than any harbor from Norfolk to Mobile. I am sure the Appropriations Committees and Congress will act to best serve the over 1 million population served by this port of the west coast of Florida.

AGRICULTURE ACT OF 1956

(Mr. WHARTON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WHARTON. Mr. Speaker, 3 weeks ago a so-called farm bill was passed by this body and thereafter and in due course it arrived at the White House. Its provisions were so ill advised and so obnoxious that it was promptly vetoed by the President.

Now and under date of April 30 there is available for the first time a bill entitled the "Agricultural Act of 1956." It is presented to us under an open rule and numerous amendments have been proposed which simply means that we are attempting to legislate here on the floor of the House on a few minutes notice for the agriculture of America. The bill itself is 53 pages long with a comparatively brief report of 23 pages.

Not a farm organization in the country nor a single farmer knows how this farm legislation stands at the moment nor what the bill contains for him. I suspect that it contains nothing but grief for the farmers of my district and higher prices for my consumers to say nothing of the tremendous burden on our taxpayers.

This is hasty and politically inspired legislation at its worst and I intend to vote against it.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill H. R. 10875.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. CELLER] I ask unanimous consent that the Committee on the Judiciary may be permitted to sit on Monday and

Tuesday of next week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

POLAND'S CONSTITUTION DAY

(Mr. McDOWELL (at the request of Mr. McCORMACK) was given permission to extend his remarks at this point in the RECORD.)

Mr. McDOWELL. Mr. Speaker, never before have the ideals of democracy been in greater danger. Even though we are being placated with words of ever increasing optimism, we must not be unaware of the very obvious dangers of becoming engulfed by the godless forces of communism. This day, the 165th anniversary of the adoption of the Polish Constitution, should serve as a grave reminder that basic freedoms, so long envisioned as the political salvation of man, can be destroyed by the forces of communism. On this anniversary we honor those foresighted and fearless Polish people who adopted this constitution. It is based on the idea of individual liberty which is the foundation of democracy upon which all freedom loving people rely.

The history of Poland's progress has been interrupted time and again by aggressors of every form. Of recent date, September 1939, the Nazis swarmed over Poland. In the face of hopeless odds the Polish people stood their ground and defended their land and ideals. However it was merely a matter of time before the defenses of Poland could no longer stand against the mighty onslaught of the Nazi war machine because the assistance that might have come from Russia was not there. During the Nazi occupation hundreds of examples of courage and resistance came to the attention of the people throughout the world and once again the national loyalty and patriotism of the Poles was an inspiration to the world. In 1945 a coalition government was set up and at this point Russia politically swallowed up Poland and the forces of democracy were systematically liquidated. In the face of all these setbacks the minds and hearts of the people still carried thoughts of freedom.

These oppressed people have long suffered at the hands of tyranny and except for their great fortitude and consuming love of freedom even their ideals might have capitulated. However, because of their strength these ideals will never be extinguished. As long as the people of Poland continue to hold in their hearts this great desire for freedom the forces of communism will never be completely triumphant. People with strength such as this are a source of inspiration and a beacon of hope for those in other oppressed areas who will some day regain their God-given birthright—freedom.

POLAND'S CONSTITUTION DAY

(Mr. THOMPSON of New Jersey (at the request of Mr. McCORMACK) was

given permission to extend his remarks at this point in the RECORD.)

Mr. THOMPSON of New Jersey. Mr. Speaker, I wish to add my most sincere support to the many Members who have spoken today in commemoration of Polish Constitution Day. At a time when our Government has found it necessary to warn the Embassy of the present regime in Poland not to interfere with the right of Polish people to live in asylum in the United States, it is particularly fitting to honor the May constitution of 1791, which has stood as a beacon of democracy throughout previous periods of reaction and national servitude in Polish history.

Americans of every national descent can be proud, along with our Polish-American and Polish-exile compatriots, of the May constitution which was proclaimed 165 years ago. Many of the political institutions which were so daringly adopted by our own Constitution 2 years earlier, and which we have been so uniquely fortunate in preserving ever since, were contained in the glorious document which the threatened Polish nation brought forth in 1791. It was clearly declared that all power in civil society was derived from the will of the people. Religious freedom was guaranteed. The powers of government were divided between 3 branches, as in our own, and the legislative branch was established in 2 houses.

The Polish people were not blessed with the natural defenses against their predatory neighbors which have helped us to preserve our Constitution without interruption. The flame of democracy in their country has been repeatedly suffocated by the squeeze of neighbors who have moved upon her in concert and from every side. Yet we know as we commemorate Polish Constitution Day, as we know from studying the heroic efforts which Polish patriots throughout the centuries, in the time of Pulaski and Kosciusko, as staunchly as in the days of Paderewski or Sikorski, have made in the cause of democracy and freedom, that here is a people who will not be dismayed or halted by periods of political subservience. The principles which their constitution so strongly upheld, only 2 years following our own, will triumph once again among the Polish people, for they are deeply rooted, and the Polish nation has demonstrated under repeated tyranny by its neighbors that its will for national freedom to live under these principles can withstand the most cruel and interminable suppression.

POLAND'S CONSTITUTION DAY

(Mr. WOLVERTON asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. WOLVERTON'S remarks will appear here after in the Appendix.]

POLISH CONSTITUTION DAY

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. SADLAK] is recognized for 15 minutes.

it has arrived at last. Of the 28 varieties, ranging from snow white through pink to dark red, the single-blossomed trees came to full flowering under the warm sun of the weekend. They will be succeeded in a few days by the magnificent double blossoms which last, barring heavy rain or windstorms, for 10 days.

The Essex County park commission last year began floodlighting the cherry grove from dusk to midnight to give more persons an opportunity to enjoy nature's glorious display. The experiment was so successful that this year the lights have been doubled. More will be installed next year. The effect is enchanting.

The people of the community have reason to be grateful to Mrs. Felix Fuld, the generous and public-spirited woman, sister of Louis Bamberger, who gave the trees to the county park system in 1928. Hers was a gift of rare and enduring beauty that each year gladdens the hearts of an ever-increasing number of visitors.

Polish Constitution Day

EXTENSION OF REMARKS OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. WILLIAMS of New Jersey. Mr. Speaker, I would like to call to the attention of the Congress the fact that May 3, the occasion of Poland's Constitution Day, is a particularly fitting time to recall Poland's historic struggle to regain her lost freedom through generations of oppression and rule by conquerors. Today the changing atmosphere behind the Iron Curtain quickens the hearts of Poles everywhere in the hope that their beloved homeland may once again see freedom.

From the time Poland reached full-grown statehood in the 14th century ideas of democracy, freedom, religion, toleration, intellectual culture have been of first importance in that nation. These ideas are the traditions of the people rather than of the state. During the 19th century, when no Polish state existed, the nation nonetheless endured tenaciously, and, indeed, the people, lacking a state, clung all the more closely to their traditions. Not what the Polish state has been and has done but what the Polish people have been and still are—these are the components of that great tradition. It has been carried on by men and women, not by governmental bodies or agencies. The achievements resulting from the tradition are personal, not official, and those persons who achieved much during former glorious centuries remain vivid in the memories of their descendants, state or no state. When Poland was restored in 1918 that tradition sprang at once into national and political effectiveness, as witness the turning back of the Bolshevik invasion.

During Poland's golden age, in the 16th century, much of the Polish tradition took shape. Time and again, far oftener than most of us today trouble to recall, the Poles were the eastern defenders of Christianity, order, and civilization itself. The eastern hordes of

Tartars, Turks, and—in the 20th century—Bolsheviks were turned back by the valor and sacrifice of Poles whose bodies today lie in the soil fought over a hundred times.

Of few national traditions can Poles be more proud than that of tolerance—chiefly in the religious and political spheres, but also as a personal trait of the individual. In tolerant Poland of the middle ages the Jews found refuge from the persecutors who pursued them in other nations of Europe. In the 16th century, Poland was the only place that gave the Protestant revolution a just hearing. Jan Zamoyski, perhaps the greatest of all Poles, expressed this religious tolerance when he called together his friends who had left the Catholic Church; he would gladly give half his remaining life to see them return to the church, he said, but rather than see them return under compulsion he would lay down his life.

The Polish political tradition of non-aggression was clearly evidenced in the 15th and 16th centuries when Poland increased her territory threefold and her population twofold without intimidation, terror, or bloodshed. Her characteristic tolerance made other groups, the Lithuanians and Ruthenians, desire to join Poland.

The fate of Poland, the traditional friend of the United States, will always be of primary interest to Americans, if only in remembrance of the heroic work of Kosciuszko and Pulaski in helping the American colonies to win their independence.

Today, the Polish struggle for liberation is widespread. It is being waged on the national, social, cultural, and moral levels, where human mind and feeling often play a greater role than that of bayonet, prison, or concentration camp. The characteristics of national temperament of which I have spoken undoubtedly will help the Polish people endure the present Soviet occupation. The tradition of individualism constitutes an obstacle to the subordination of Poland to the Communist system which disregards the dignity and freedom of man.

We will never rest easily, never forget the Poles' justifiable and burning desire for freedom until the yoke of Soviet enslavement and brutality has been lifted. We look to the day when Poland will again emerge a strong, free, prosperous, and happy nation. We know the people will never give up their hope for the arrival of that day. With the help of courage, perseverance, and faith in freedom, that day will come, I know.

Rhode Island Independence Day

EXTENSION OF REMARKS OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. FORAND. Mr. Speaker, tomorrow is independence day for the great State

of Rhode Island. One hundred and eighty years ago tomorrow the State of Rhode Island dissolved all legal and moral ties with her mother country, Great Britain. By repealing an act entitled "An act for the more effectual securing to his Majesty the allegiance of his subjects in this His Colony and Dominion of Rhode Island and Providence Plantations."

On May 4, 1776 Rhode Island formally severed all social, political, and economic association with Great Britain. The events that led up to these acts of impunity are concisely and authoritatively recited in our history books.

In 1763 the English Government determined to institute a program to strengthen colonial administration, and to raise colonial revenue. Each of these measures was eminently unpopular in America, but the question of a colonial revenue proved to be the principal pivot of controversy. At the close of the French and Indian Wars the British public debt was overburdening and in England the taxpayers were clamoring for relief. To help defray the expenses of the new colonial policy parliament, in 1764, passed the sugar act, imposing a tax on imports of foreign molasses into America. This was the first instance of a parliamentary act designed for the express purpose of raising a colonial revenue.

The sugar act provoked a storm of protest. In spite of these protests, parliament proceeded, in 1765, to a still more objectionable revenue measure—the stamp act—whereby a tax was levied on all legal and commercial papers, pamphlets, newspapers, almanacs, cards, and dice. Immediately rioting broke out, because of these imposts, and British goods were boycotted.

In 1766 a new ministry in England repealed the stamp act and reduced the duties imposed by the sugar act. Within a few months however, still another ministry was in power and the attempt to raise a colonial revenue was renewed. By one of the Townshend acts of 1767 duties were imposed on imports of glass, lead, paint, paper, and tea. Again the colonies responded with a boycott of British merchandise.

Colonial resentment found expression in a series of incidents, many of which occurred in Rhode Island. As early as 1764 Newporters climaxed a riot with crewmen of the British schooner *St. John* by firing upon the vessel with cannons. The following year a Newport mob, angered by impressment of American seamen, seized and burned one of the boats of the British vessel *Maidstone*. Most famous in this series of incidents was the burning of the British revenue schooner *Gaspee*.

After the *Gaspee* affair tensions rose to a climax. In 1773 Rhode Island formed a committee of correspondence for cooperation with the other colonies. On December 16, 1773, the Boston Tea Party was staged to protest a British plan for stimulating the sale of taxed tea. This defiant action, which caused the British to retaliate with coercive legislation known as the Intolerable Acts, was vehemently discussed and approved by

town meetings in Rhode Island. The Bristol town meeting boldly asserted that the time might come when the people would be provoked to renounce their allegiance and assert an independency.

The colonial spirit of independency was the rock on which Britain's North American empire was finally wrecked. Accustomed for more than a generation to little or no taxation, and to nearly complete freedom in the management of their internal affairs, the Americans were disposed to resent every British attempt to strengthen colonial administration. Free from the menace of New France, strong and self-confident, the Thirteen Colonies prepared to resist.

In 1774, Rhode Island gave support to the calling of the Continental Congress, naming as delegates the former political rivals Stephen Hopkins and Samuel Ward. In 1775, upon receipt of the news of Concord and Lexington, the general assembly created an army of observation—most of the troops later joined Washington's Continental Army. The same year the assembly commissioned its own navy, consisting of two units, to protect the colony's trade. Before the year was out, this force had attacked and captured a vessel of the Royal Navy. On May 4, 1776, the Rhode Island General Assembly climaxed its program of resistance by formally declaring its freedom from Britain. This action, taken 2 months before the Declaration of Independence at Philadelphia, made Rhode Island the first sovereign state established by Europeans in the New World.

This formal declaration of freedom has been called the "shot heard around the world."

Our State's firmness lies in her record. Rhode Island still remains the land of "firsts." The circumstances have changed the times, but the character and determination still lies dormant only to be kindled by any sort of tyranny over the mind of man.

Rhode Island is a proud State. Her people are progressive and hard working. The products of her workmen can be found in every part of the world. It is the cradle of religious liberty in America.

We shall continue to be proud and independent. We shall continue to work for the good of all and oppose all things that are not in the public interest.

The Polish Constitution of 1791

EXTENSION OF REMARKS OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. REUSS. Mr. Speaker, there are certain landmarks in the history of mankind's efforts toward a society of liberty under law which Americans can never forget. Just because Americans are drawn from the peoples of every part of the world, in a special way they find their inspiration in the history of those peoples.

On May 3 we mark the 165th anniversary of the Polish Constitution of 1791. It is a sobering thought that for most of those 165 years the Polish people have not been their own masters, least of all today, when they must bear their enslavement by the Communist tyrants. Yet, the spirit of freedom has always burned fiercely in Polish hearts, and the constitution which they adopted on May 3, 1791, is a shining example of the embodiment of democratic principles.

No celebrations will be allowed in Poland today, but we in America can commemorate this day by reaffirming our own dedication to the fundamental precepts of the Polish Constitution of 1791 and by restating our determination that the Polish people shall once again be free.

Polish Constitution Day

EXTENSION OF REMARKS OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. FULTON. Mr. Speaker, May 3, 1956, is a day of reverence and remembrance for all the people of Poland, and their relatives and friends wherever they may be, in their native land of Poland, or in America, or throughout the world. It is a day they remember freedom.

May 3 is constitution day, celebrating the constitution of May 3, 1791, establishing democratic rights and religious freedom for all Poland's people.

We remember our good friends and relatives in Poland. In these difficult times, we urge them to continue their faith and good spirit. We people of America have not forgotten them, and we look forward to that great day of freedom, independent, and justice for all the people of Poland which is certainly on the way as evidenced by the rising spirits, success, and unity of the free peoples of the world.

We salute our friends, the people of Poland on constitution day.

I am glad to include in my remarks the following cheering statement of my good friend, Judge Blair F. Gunther of the Superior Court of Pennsylvania and supreme head of the Polish National Alliance in the United States:

POLISH CONSTITUTION DAY, MAY 3, 1956
(By Blair F. Gunther)

These are unsettled times for the peoples of the free world but these are times of crisis for the people of Poland. While the Poles inside Poland are not now able to demonstrate openly their intense desire for the freedom they have been denied, free Poles all over the world and those of Polish origin will, with additional vigor, commemorate the 165th anniversary of the signing of the constitution of the 3d of May. They call upon others with similar feelings for freedom to join them in the commemoration of this significant event.

Poland has nurtured seeds of democratic thinking since its earliest days. The freedom of the individual to speak, worship, and carry out his own work as he chooses has

been fought for throughout many generations. Poland was one of the first states in Europe to elect its rulers by vote of its citizens. It has ever been liberal in its attitude toward religion. It has always strived toward a high level of education, and its ideals of justice have made it an historic place of refuge for many racial groups persecuted elsewhere.

The Poles have long understood, and still appreciate, the feelings which motivated the struggle for independence in the United States. The sending of numerous sons to aid on the field of battle is but one outward example of the sympathy they felt for this young and free country. The same spirit which manifested itself here during the Revolution brought about in Poland, at the same time, the adoption of the Constitution of the 3d of May.

The Constitution of the 3d of May 1791, can validly claim to be one of the world's greatest documents of freedom. It was the first written democratic constitution in Europe establishing the rights of all classes and assuring the religious freedom of all groups.

Those unfortunate Poles locked in by the curtain of iron can only look back silently at the past greatness of their country, praying also in silence for a reestablishment of the principles embodied in the Constitution of the 3d of May. Those who can commemorate this event, by word or deed, must do so with increased spirit to compensate for and inspire those who cannot. We are all related to the fervent patriots of the constitution, either closely or more distantly, either by blood or spiritually, and our debt to them is a great one. Our actions today can be a sign of those bonds of kinship.

The Farm Bill

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. JENKINS. Mr. Speaker, I regret that it is necessary for me to be absent today on important official business, when the House has before it the agriculture bill of 1956. The measure was not previously programed for this week, and in the meantime I made certain commitments I am obliged to fulfill.

I have not missed a single vote in this session of Congress on the many measures that have come before us affecting our farmers. Nor would I miss this one today were it not absolutely necessary and were it not that I have assurances from the leadership of the Republican Party that my presence is not necessary, as most of the differences on the various features of the proposed legislation have been resolved.

Having been brought up on the farm, naturally I am inclined to favor any sound proposition that would be for the benefit of deserving farmers. For a number of years I have been a member of the grange and of the Farm Bureau, and I have been in close touch with the various programs that have been advanced for the benefit of the farmers. I have given considerable study and thought to the whole subject, and par-

ticularly to the bill now before the House.

The bill before the House is by no means perfect in every particular, but I do believe that on the whole it will make a constructive contribution for a solution to the farm problem. Were I present today and voting I would, accordingly, vote for the bill.

Agriculture is the leading industry of all of our industries. More people are employed in agriculture than any other business, and more money is invested in agriculture properties than any other business.

My votes in Congress have always been in favor of giving encouragement to this big industry and to the many people who engage in agricultural pursuits. My votes have always been for legislation which will give our worthy farmers a program that is economically sound and which will enable them to progress and prosper.

In Tribute to Poland, the First Ally

EXTENSION OF REMARKS OF

HON. ROY W. WIER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. WIER. Mr. Speaker, I consider it an honor to participate in the celebration of the anniversary of Polish independence and to pay tribute to a heroic people. Today all people of Polish extraction greet this eventful date with a song on their lips, the Third of May Mazurka, and I am sure that even though the Iron Curtain alters the tones and distorts the words, the echo repeats from all sides: "Poland is not dead yet, while we are alive."

On May 3, 1791, Poland guaranteed freedom to all her citizens by adopting a constitution, and became the first nation in Europe to have a written democratic document proclaiming the principles of human liberty.

On September 1, 1939, Poland was the first nation to take up arms to resist Nazi aggression—the first who had the courage to say, "No" to Hitler. Poland in her international policy was faithful at all times, not only to the letter but also to the spirit of her treaties, and did not allow herself to be led astray by the Nazi proposal to take part in an attack on Soviet Russia, and refused to cooperate in any anti-Soviet plot, abiding by her neutrality and striving for peace. Yes; Poland was first to fight, and for this honor paid dearly with the blood of her soldiers, not only in Poland during the September campaign but on all Allied fronts—in Norway, France, in the Battle of Britain, Africa, Italy, Belgium, Normandy, Holland, Germany—on the seas, and in the skies over Europe.

Poland was the first ally. While Poland was the "mother of the United Nations," she was excluded from the Conference of the United Nations, convened on April 25, 1945, at San Francisco. Yet the thought that was to guide the work

of the San Francisco Conference was expressed by a Polish king in 1750—Stanislaw Leszczynski, one of the early protagonists of international cooperation, who wrote a memorandum on strengthening the general peace. The thought underlying his plan was that the community of nations should go to the assistance of any country attacked. Likewise, in 1833, Poland's greatest poet, Adam Mickiewicz, proclaimed in his works the ideal of the common brotherhood of man—a genuine international organization.

The Polish people have always been brave to the point of folly and they have always been believers in freedom. Time and again they have been found defending the rights of men and women to live their own lives in their own way. The Polish people fought against a German invader trying to steal other peoples' lands as far back as the year 963. In 1241 they saved Europe from the invading Tartar hordes. In 1685 it was Sobieski and the gallant Poles who protected and saved Christianity from the ravages of the Mohammedan sword and stopped the infidel hordes from overrunning Europe and destroying the Christian people. The liberty-loving Poles came to the aid of our American Colonies in the Revolutionary War. Wherever liberty and justice are at stake, the sons of Poland never fail to rally. Thousands of Polish boys from my State fought courageously on the battlefields of Korea.

Poland has always been devoted to the cause of humanity. Her contributions to human liberty and free institutions are glorious. She is a symbol of freedom and of peace.

In observing this anniversary of a great event in the history of Poland, let us recognize that the fate of this old, brave, great nation still disturbs the world and America. At Yalta, Teheran, and Potsdam, we played a role not entirely compatible with our ideals. Let us all hope and pray that Poland, the first nation in Europe to adopt a democratic form of government, will be permitted to work out her own destiny under a government of her own, chosen by her own people.

The Lowest Summit Conference

EXTENSION OF REMARKS OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. MULTER. Mr. Speaker, the following editorial from the New Republic for April 9, 1956, is worthy of the attention of our colleagues:

PARLEY IN A SANDTRAP

We have talked to several reporters back from the Eisenhower-Canadian-Mexican conference at White Sulphur Springs. Their eyes are still popping. The chief executives from Ottawa and Mexico City couldn't seem to figure out what it was all about. Neither could the reporters. Eisenhower knew; he

had come to play golf with professional Sammy Snead. The reporters couldn't kick—there was a free bar open all the time—but why, after all, were they there? Mexicans were happy; they were upgraded. Canadians were miffed; they were downgraded. Otherwise the two had little in common. There was no agenda. At the windup Eisenhower scheduled 2-hour individual conferences with each guest; these were cut down to 20 minutes when it turned out they had nothing to say. Ike got out on the links again.

Shrewd writers believe that this was smart politics. "The average American," one of them explained, "distrusts striped pants and diplomacy. He favors man-to-man talks at top level. It's what he thinks he would do if he were President. Ike went out personally and ended the Korean war, didn't he? How can you explain that the real United States-Canadian problems are so technical that Ike probably has never heard of them? This was good headline stuff and made votes." The conference has been dubbed the lowest summit conference.

Getting to the Top

EXTENSION OF REMARKS OF

CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 23, 1956

Mr. HOFFMAN of Michigan. Mr. Speaker, there was a time when a mother would tell her son that the way was open to the Presidency of the United States—that was then supposed to be the top.

However, Franklin Ford, in the Washington Evening Star of April 30 last, points out that at least there is another road to wealth and riches, even though it is not one traveled by the Horatio Alger boys. Here is what he wrote:

LIVE LIKE LORDS

(By Franklin Ford)

If you want to do right by your son, train him to be a labor leader. The Lords of Labor, with a capital L, are today's aristocracy, the modern princes of privilege, the well-fed, well-clothed, and well-housed.

Wouldn't it be dandy if your son and mine could be housed, for example, as well as Dave Beck, head of the Teamsters' Union. The Associated Press says his home in Seattle has a swimming pool, a movie theater, and a waterfall. About a year ago he permitted his union to buy the property from him for \$163,000, a real bargain, providing he could live in it rent-free for life, and also that the union would pay all costs of service, taxes, and maintenance. And now he is going to allow his truck drivers to buy the furniture for \$100,000, provided it stays in his house, presumably.

Besides, says the Associated Press, Mr. Beck gets \$50,000 a year plus expenses, plus "furnished living quarters in the Teamsters' new \$5-million marble and glass headquarters in Washington, plus an apartment in a Washington hotel."

Now, that's really living it up. And the "expenses" cover such things as Mr. Beck's trip to Hawaii with other executives of his union, for a business meeting. It wasn't, I'm sure, that these labor bosses merely wanted an expense-paid trip to the hula-hula land of romance and moonlight. It was because Hawaii is so much more convenient and centrally located for a business meeting than, say, Chicago. Besides, the AFL big brass meets in Miami, where there are lots

of night spots, race tracks, and swimming pools. So why not Honolulu for the king of the Teamsters' Union and his princes and barons?

Our President, Senators, governors, mayors, etc., hold office only for fixed terms, none more than 6 years but that's the silly American idea of rotation in office, with a secret ballot so the voters can pick the man of their choice. Of course, there's none of that stupid democratic nonsense in labor unions. The boss stays in for life, and the faceless zeros down in the ranks are subjects of an absolute monarch. Their only function, besides paying dues and assessments, is to obey.

Since today's kings like Beck, Reuther, Lewis, Hoffa, etc., hold in their grasp the economic livelihood of millions, and extract tribute from them in an unregulated system of private taxation, it seems right and just that these regal gentlemen also control the social and political lives of their subjects, and spend their dues money for mansions for themselves, or as campaign funds for politicians who will promise to do their bidding.

Yes, the smart thing to do is educate your boy to be a labor leader. Then he will really be sitting in the pullman diner of the gravy train, eating high on the hog.

The Cold War

EXTENSION OF REMARKS OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. MULTER. Mr. Speaker, permit me to direct to the attention of our colleagues Mr. Roscoe Drummond's column entitled "What Next in the Cold War?" The column appeared in the New York Herald Tribune for April 29, 1956. It follows:

WHAT NEXT IN THE COLD WAR?

(By Roscoe Drummond)

Part of the great debate in Washington today is over who's winning the cold war—the Soviet Union or the West? Mr. Dulles has been saying that we are winning the cold war because the Soviet Union has been forced to shift policies in midstream, and because the Kremlin has found it prudent to slough off some of the more ruthless coatings of the Stalin dictatorship. Adlai Stevenson has been saying that we are losing the cold war because the new Soviet tactics are more difficult to cope with, and because Soviet enticement and influence in Asia, North Africa, and the Middle East have made visible headway in recent months. President Eisenhower has been saying that we can't really know who is winning the cold war because it is impossible at this stage to cast up a firm balance sheet. My own instinct is to feel that, in this instance, Mr. Stevenson is nearer right than Mr. Dulles, and that Mr. Eisenhower is usefully candid in saying that dogmatic claims either way are misleading. What is needed, I think, is a fresh evaluation of what the United States can and must do—militarily, economically, and politically—to recapture the initiative. The purpose of this column is not to judge the cold war but to look at the criteria by which we can measure the adequacy of United States action as events take clearer shape.

THE BALANCE OF MILITARY POWER

This is absolutely critical, and this is why Senator STUART SYMINGTON's investiga-

tion into the scope and pace of United States defense production, whatever its political motivation, is timely and proper.

We hear it constantly repeated that we are today nearer peace, further from war, than 2 or 3 years ago. We hear it said that since each side can inflict massive destruction on the other, neither will find it profitable to embark upon war.

This is absolutely true and profoundly misleading. It leads to the suggestion that Soviet superiority in some major modern weapons is not crucial since we have sufficient nuclear arms to make their use by the Kremlin uninviting. This is a perilous premise. It is perilous because it is possible to avoid war and lose the peace. It is perilous because a significant shift in the balance of military power to the U. S. S. R. could incalculably strengthen Soviet influence all over the world and, though never used, overtly, could undermine the will of the free world to stand together.

Moscow talks about reducing its armed force, but the United Nations Economic Survey of Europe for 1955 reveals that there was at least a 12 percent rise in Soviet military expenditures last year, and a continuing shift toward heavy industry and armaments. In England, Mr. Khrushchev discloses that the Soviets have dropped an H-bomb from an airplane (we haven't), and reports that Russia "will soon" have a guided missile with an H-bomb warhead capable of "hitting anywhere in the world." We haven't Moscow is producing submarines which can deliver atomic missiles at a rate far exceeding our own.

If this shift in the balance of power continues, it could undermine the Free World without firing a shot. To permit the balance of power to slip away from us is to invite disaster.

THE SOVIET POLITICAL CHALLENGE

The Soviet Union is today exerting diplomatic and political influence in parts of the world where its presence was not felt a few years ago—in the Middle East, where its arms sales are disturbing; in Asia where, for example, Ceylon has just voted a neutralist government into office; in the Western Hemisphere, where the Icelandic Parliament has called for the dismantlement of the NATO airbase.

THE SOVIET ECONOMIC CHALLENGE

By virtue of its ability to buy surplus foodstuffs, which are a drug on the American market, Moscow is making its trade-and-aid program increasingly felt.

These Soviet measures are counterable but only if the United States is ready to expend the resources to keep the balance of power from shifting to the Soviet Union; only if we are ready to help the newly independent, uncommitted nations to achieve political and economic progress which will cause them to identify their future with the Free World.

There is no present sign that American public opinion is yet prepared for this great exertion. It will require decisive and sustained leadership from the White House.

Giovanni da Verrazano, Discoverer of New York Harbor

EXTENSION OF REMARKS OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. ANFUSO. Mr. Speaker, on Tuesday, April 17, 1956, at Oscar Tucci's

Delmonico's Restaurant in New York City, the annual Verrazano Day was celebrated.

Giovanni da Verrazano is the great Italian navigator who first discovered the harbor of New York in 1524. Great credit for this public and well deserved recognition is due the Italian Historical Society of America, of which John N. La Corte is the director.

Oscar Tucci, the owner of Delmonico's, who was born in Florence, Italy, where the great navigator Verrazano was likewise born, spoke eloquently of his native countryman. Another speaker at the Verrazano Day celebration was Prof. Edward D. Re, of St. John's University School of Law in Brooklyn, whose eloquent address is of special interest at this time.

Mr. Speaker, under leave to extend my remarks in the RECORD, I am happy to insert Professor Re's address, which is as follows:

REMARKS OF PROF. EDWARD D. RE, PROFESSOR OF LAW, ST. JOHN'S UNIVERSITY SCHOOL OF LAW, ON THE OCCASION OF THE VERRAZANO DAY CEREMONY IN NEW YORK, TUESDAY, APRIL 17, 1956

Mr. Chairman, distinguished and honorable guests, my fellow Americans and friends, we Americans who share the noble traditions of freedom and liberty, the seeds of which were planted on the plains of Runnymede, in that fateful encounter between King John and the barons, often know more about dramatic historic events of other nations than we do about our own. Although one does not detract from the importance of knowing the history of Europe that is so closely linked with the very discovery, foundation and heritage of the Western Hemisphere and our own country, nevertheless it is felt that greater attention should be given to the many glorious chapters of American history. I say this because I believe that there are many chapters of American history that should be as well known to us as the signing of Magna Carta on the plains of Runnymede. Surely many events of American history are equally dramatic. It is therefore in an effort to instill justifiable pride in the American that we celebrate today the achievement and discovery of Giovanni da Verrazano, an achievement destined to become of the greatest significance.

Although Verrazano day is sponsored by the Italian Historical Society of America, since Verrazano was a Florentine navigator, the celebration is in no sense Italian. Likewise, if it were celebrated under the auspices of a French historical society, since Verrazano sailed a French vessel under the sponsorship of Francis I, King of France, the celebration would not commemorate a French event. The celebration, rather, is intended and must be understood as an American celebration commemorating an important and dramatic chapter of American history. From one standpoint it may be viewed as one of the most beautiful events of American history because it was Verrazano who first opened the great portals of New York Harbor to the peoples of the world. The millions of thankful immigrants who share with us the blessings of liberty and freedom may gratefully acknowledge Verrazano as the first immigrant who made possible their happy, fruitful life in this land of opportunity.

The Verrazano story, like the story of Amerigo Vespucci, commences in the beautiful city of Florence, Italy, for it was there that these two great navigators first saw the light of day. Although there is some doubt as to the year of birth of Giovanni da Verrazano, there is no doubt that he was born in Florence, Italy, the son of Pietro Andrea and Fianetta Capelli. James Carson Bre-

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 7, 1956

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To enact the Agricultural Act of 1956.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1956".

5 TITLE I—SOIL BANK ACT

6 SHORT TITLE

7 SEC. 101. This title may be cited as the "Soil Bank Act".

8 DECLARATION OF POLICY

9 SEC. 102. The Congress hereby finds that the produc-
10 tion of excessive supplies of agricultural commodities de-
11 presses the prices and income of farm families; constitutes

1 improper land use and brings about soil erosion, depletion of
2 soil fertility, and too rapid release of water from lands
3 where it falls, thereby adversely affecting the national wel-
4 fare, impairing the productive facilities necessary for a con-
5 tinuous and stable supply of agricultural commodities, and
6 endangering an adequate supply of water for agricultural and
7 nonagricultural use; overtaxes the facilities of interstate and
8 foreign transportation; congests terminal markets and han-
9 dling and processing centers in the flow of commodities from
10 producers to consumers; depresses prices in interstate and
11 foreign commerce; disrupts the orderly marketing of com-
12 modities in such commerce; and otherwise affects, burdens,
13 and obstructs interstate and foreign commerce. It is in the
14 interest of the general welfare that the soil and water re-
15 sources of the Nation be not wasted and depleted in the
16 production of such burdensome surpluses and that interstate
17 and foreign commerce in agricultural commodities be pro-
18 tected from excessive supplies. It is hereby declared to be
19 the policy of the Congress and the purposes of this title to
20 protect and increase farm income, to protect the national soil,
21 water, and forest and wildlife resources from waste and
22 depletion, to protect interstate and foreign commerce from
23 the burdens and obstructions which result from the utilization
24 of farmland for the production of excessive supplies of
25 agricultural commodities, and to provide for the conservation

1 of such resources and an adequate, balanced, and orderly
2 flow of such agricultural commodities in interstate and for-
3 eign commerce. To effectuate the policy of Congress and
4 the purposes of this title programs are herein authorized to
5 assist farmers to divert a portion of their cropland from the
6 production of excessive supplies of agricultural commodities,
7 and to carry out a program of soil, water, forest and wildlife
8 conservation. The activities authorized under this title are
9 supplementary to the acreage allotments and marketing
10 quotas authorized under the Agricultural Adjustment Act of
11 1938, as amended, and together with such acreage allotments
12 and marketing quotas, constitute an overall program to pre-
13 vent excessive supplies of agricultural commodities from bur-
14 dening and obstructing interstate and foreign commerce.

15 SUBTITLE A—ACREAGE RESERVE PROGRAM

16 TERMS AND CONDITIONS

17 SEC. 103. (a) Notwithstanding any other provision of
18 law, the Secretary of Agriculture (hereinafter referred to as
19 the "Secretary") is authorized and directed to formulate and
20 carry out an acreage reserve program for the 1956, 1957,
21 1958, and 1959 crops of wheat, cotton, corn produced in the
22 commercial corn-producing area, other feed grains (corn
23 produced outside the commercial corn-producing area, grain
24 sorghums, barley, rye, and oats), peanuts, rice, flue-cured
25 tobacco, burley tobacco, Maryland tobacco, dark air-cured

1 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
2 binder tobacco types 51, 52, 54, and 55, Ohio cigar filler
3 tobacco types 42, 43, and 44, respectively and such other
4 field crops as the Secretary may designate (hereinafter
5 referred to as "the commodity"), under which producers
6 shall be compensated for reducing their acreages of the
7 commodity below their farm acreage allotments or their
8 farm base acreages, whichever may be applicable. To be
9 eligible for such compensation the producer (1) shall re-
10 duce his acreage of the commodity below his farm acreage
11 allotment or farm base acreage, whichever may be appli-
12 cable, within such limits as the Secretary may prescribe, (2)
13 shall specifically designate the acreage so withdrawn from
14 the production of such commodity (hereinafter referred to
15 as the "reserve acreage"), and (3) shall not harvest any
16 crop from, or graze, the reserve acreage unless the Secretary,
17 after certification by the Governor of the State in which such
18 acreage is situated of the need for grazing on such acreage,
19 determines that it is necessary to permit grazing thereon in
20 order to alleviate damage, hardship, or suffering caused by
21 severe drought, flood, or other natural disaster, and consents
22 to such grazing. Reserve acreage of a commodity may in-
23 clude acreage whether or not planted to the production of
24 the 1956 crop of the commodity prior to the announcement
25 of the acreage reserve program for the 1956 crop if the

1 crop thereon, if any, shall be plowed under or otherwise
2 physically incorporated into the soil, or clipped, mowed, or
3 cut to prevent maturing so that the reduction in acreage of
4 the commodity below the acreage allotment occurs within
5 21 days after the enactment of this title, or by such later
6 date as may be fixed by the Secretary. In addition to the
7 foregoing, the Secretary is authorized and directed to formu-
8 late and carry out during the years 1956, 1957, 1958, and
9 1959 an acreage reserve program for grazing lands under
10 which farmers or ranchers will be compensated for reducing
11 their acreages of grazing lands and making a corresponding
12 reduction in livestock units below a representative period
13 designated by the Secretary. All the provisions of this title
14 not inconsistent therewith shall apply to the grazing lands
15 acreage reserve program. The reserve acreage shall be
16 in addition to any acreage devoted to the conservation
17 reserve program authorized under subtitle B of this title.
18 The acreage reserve program may include such terms and
19 conditions, in addition to those specifically provided for
20 herein, including provisions relating to control of noxious
21 weeds on the reserve acreage, as the Secretary determines
22 are desirable to effectuate the purposes of this title and to
23 facilitate the practical administration of the acreage reserve
24 program.

25 Before any producer is entitled to receive any compen-

1 sation for participating in the acreage reserve program, he
2 must first enter into a contract with the Secretary, which
3 contract, in addition to such other terms and conditions as
4 may be prescribed by the Secretary, shall contain provisions
5 by which such producer shall agree:

6 (i) In the event that the Secretary determines that
7 there has been a violation of the contract at any stage dur-
8 ing the time such producer has control of the farm and that
9 such violation is of such a substantial nature as to warrant
10 termination of the contract, to forfeit all rights to payments
11 or grants under the contract, and to refund to the United
12 States all payments and grants received by him there-
13 under: *Provided, however,* That the provisions of Section
14 107 (d) shall apply hereunder.

15 (ii) In the event that the Secretary determines that
16 there has been a violation of the contract but that such vio-
17 lation is of such a nature as not to warrant termination of
18 the contract, to accept such payment adjustments, forfeit
19 such benefits, and make such refunds to the United States
20 of payments and benefits received by him, under the con-
21 tract, as the Secretary may determine to be appropriate.

22 (b) (1) There is hereby established for each year for
23 which an acreage reserve program is in effect for corn a
24 total base acreage of corn for the commercial corn-producing
25 area proclaimed under section 327 of the Agricultural Ad-

1 justment Act of 1938, as amended, of fifty-one million acres.
2 The total base acreage of corn for the commercial corn-
3 producing area shall be apportioned by the Secretary among
4 the counties in such area on the basis of the acreage of corn
5 in such counties during the five calendar years immediately
6 preceding the calendar year in which the apportionment
7 is made (plus, in applicable years, the acreage diverted
8 under previous agricultural adjustment, conservation, and
9 soil bank programs), with adjustments for abnormal weather
10 conditions, for trends in acreage during such period and for
11 the promotion of soil-conservation practices: *Provided*, That
12 any downward adjustment for the promotion of soil-conser-
13 vation practices shall not exceed 2 per centum of the total
14 base acreage that would otherwise be apportioned to the
15 county. The base acreage for the county shall be appor-
16 tioned by the Secretary, through the local committees,
17 among the farms within the county on the basis of past
18 acreage of corn (planted and diverted), tillable acreage
19 crop-rotation practices, types of soil, and topography.

20 (2) This subsection (b) shall become inoperative after
21 1956 if in the referendum conducted pursuant to section 308
22 (b), producers do not vote in favor of the program provided
23 in subsection (c) of such section.

24 (c) For each year in which an acreage reserve program
25 will be in effect for corn, a farm base acreage shall be estab-

lished for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grain (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the three years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 per centum thereof for apportionment as provided by this subsection, shall be apportioned by

1 the Secretary among the counties on the basis of the acreage
2 of feed grains (planted and diverted) in such counties for the
3 five calendar years immediately preceding the calendar year
4 in which the apportionment is made, with adjustments for
5 abnormal weather conditions, for trends in acreage during
6 such period and for the promotion of soil-conservation prac-
7 tices: *Provided*, That any downward adjustment for the pro-
8 motion of soil-conservation practices shall not exceed 2 per
9 centum of the total base acreage that would otherwise be
10 apportioned to the county. The base acreage for the county
11 shall be apportioned by the Secretary, through the local
12 committees, among the farms within the county on the basis
13 of past acreage of feed grains (planted and diverted), tillable
14 acreage, crop-rotation practices, type of soil, and topography.
15 The reserve set aside herein shall be apportioned to farms on
16 which feed grains have not been planted for any of the crops
17 for the three years immediately preceding the year for which
18 the apportionment is made (such farms are hereinafter called
19 “new feed grain farms”). Producers shall not be eligible for
20 compensation under the acreage reserve program for feed
21 grains, on new feed grain farms. For purposes of this sub-
22 section, section 114, and section 308 (d) the terms “plant”
23 or “planted”, as used with respect to feed grains, other than
24 corn, shall mean plant or planted for harvest as grain.

1 EXTENT OF PARTICIPATION IN PROGRAM

2 SEC. 104. For purposes of the acreage reserve program
3 the Secretary shall establish a national reserve acreage goal
4 for the 1956, 1957, 1958, and 1959 crops of each com-
5 modity specified in section 103 (a), including grazing lands.
6 The limits within which individual farms may participate
7 in the acreage reserve program shall be established in such
8 manner as the Secretary determines is reasonably calculated
9 to achieve the national reserve acreage goal and give pro-
10 ducers a fair and equitable opportunity to participate in the
11 acreage reserve program, taking into consideration their
12 acreage allotments, farm base acreages, or other standards,
13 whichever may be applicable, the supply and demand con-
14 ditions for different classes, grades, and qualities of the com-
15 modity, and such other factors as he deems appropriate.

16 COMPENSATION OF PRODUCERS

17 SEC. 105. (a) Producers shall be compensated for par-
18 ticipating in the acreage reserve program through the issu-
19 ance of negotiable certificates which the Commodity Credit
20 Corporation shall redeem in accordance with regulations pre-
21 scribed by the Secretary (1) in cash upon presentation by
22 the producer or by any holder in due course or (2) at the
23 option of the producer in the case of certificates issued with
24 respect to grains and upon presentation by him, in grains
25 (such grains to be valued by the Secretary at such levels as

1 he determines will not materially impair the market price for
2 such grain yet will, to the maximum extent practicable en-
3 courage acceptance of payment in grains in lieu of cash):
4 *Provided*, That disposition of quantities of stocks hereunder
5 in any one year shall be limited to not more than two-thirds
6 of such quantities of such commodities as the Secretary de-
7 termines would be a reasonable estimate of what would have
8 been produced for marketing during such marketing year on
9 the acreage withheld from production under the provisions
10 of this title: *And provided further*, That such stocks shall
11 not be released prior to the end of the normal harvesting
12 season for the particular commodity being released. Com-
13 pensation under this section shall be at such rate or rates
14 as the Secretary determines will provide producers with a
15 fair and reasonable return for reducing their acreage of the
16 commodity, taking into consideration the loss of production
17 of the commodity on the reserve acreage, any savings in cost
18 which result from not planting the commodity on the
19 reserve acreage, and the incentive necessary to achieve the
20 reserve acreage goal. The Secretary shall make an adjust-
21 ment in yields for drought, flood, or other abnormal condi-
22 tions in estimating the loss of production for purposes of es-
23 tablishing rates of compensation. The rates of payment
24 offered under this section shall be such as to encourage pro-
25 ducers to underplant their allotments more than one year

1 Commodities delivered to producers in redemption of such
2 certificates shall not be eligible for tender to Commodity
3 Credit Corporation under the price support program.

4 (b) Compensation shall be paid to any producer
5 for participating in the acreage reserve program for any
6 year including 1956 when the Secretary has ascertained that
7 such producer has complied with the acreage reduction re-
8 quirements of such program for such year.

9 (c) The total compensation paid producers for partici-
10 pating in the acreage reserve program with respect to any
11 year's crops shall not exceed \$800,000,000, and with respect
12 to any commodity for any year shall not exceed the amount
13 shown below: Wheat, \$375,000,000; cotton, \$300,000,000;
14 corn in the commercial corn-producing area, \$300,000,000;
15 other feed grains, \$175,000,000; peanuts, \$7,000,000; rice,
16 \$23,000,000; grazing lands, \$50,000,000; tobacco, \$45,-
17 000,000; and other crops, \$50,000,000. The total amount
18 available for the acreage reserve program for any year's
19 crops shall be apportioned among the various commodities
20 on the basis of the amounts required to achieve the reserve
21 acreage goal for each commodity established under section
22 104.

23 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

24 SEC. 106. (a) In the future establishment of State,
25 county, and farm acreage, allotments under the Agricultural

1 Adjustment Act of 1938, as amended, or base acreages
2 under this title, reserve acreages applicable to any commodity
3 shall be credited to the State, county, and farm as though
4 such acreage had actually been devoted to the production of
5 the commodity.

6 (b) In applying the provisions of paragraph (6) of
7 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
8 (6)), and sections 326 (b) and 356 (g) of the Agricultural
9 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b),
10 1356 (g)), relating to reduction of the storage amounts of
11 wheat and rice, the reserve acreage of the commodity on any
12 farm shall be regarded as wheat acreage or rice acreage,
13 as the case may be, on the farm.

14 SUBTITLE B—CONSERVATION RESERVE PROGRAM

15 TERMS AND CONDITIONS

16 SEC. 107. (a) To effectuate the purposes of this title
17 the Secretary is hereby authorized to enter into contracts for
18 periods of not less than three years with producers deter-
19 mined by him to have control for the contract period of the
20 farms covered by the contract wherein the producer shall
21 agree:

22 (1) To establish and maintain for the contract period
23 protective vegetative cover (including but not limited to
24 grass and trees), water storage facilities, or other soil-,
25 water-, wildlife-, or forest-conserving uses on a specifically

1 designated acreage of land on the farm regularly used in the
2 production of crops (including crops, such as tame hay,
3 alfalfa, and clovers, which do not require annual tillage).

4 (2) To devote to conserving crops or uses, or allow to
5 remain idle, throughout the contract period an acreage of
6 the remaining land on the farm which is not less than the
7 acreage normally devoted only to conserving crops or uses
8 or normally allowed to remain idle on such remaining
9 acreage.

10 (3) Not to harvest any crop from the acreage established
11 in protective vegetative cover, excepting timber (in accord-
12 ance with sound forestry management) and wildlife or other
13 natural products of such acreage which do not increase
14 supplies of feed for domestic animals.

15 (4) Not to graze any acreage established in protective
16 vegetative cover prior to January 1, 1959, or such later
17 date as may be provided in the contract, except pursuant
18 to the provisions of section 103 (a) (3) hereof; and if such
19 acreage is grazed at the end of such period, to graze such
20 acreage during the remainder of the period covered by the
21 contract in accordance with sound pasture management.

22 (5) Not to adopt any practice, or divert lands on the
23 farm from conservation, woods, grazing, or other use, to any
24 use specified by the Secretary in the contract as a practice or
25 use which would tend to defeat the purposes of the contract.

1 (6) (A) In the event that the Secretary determines
2 that there has been a violation of the contract at any stage
3 during the time such producer has control of the farm and
4 that such violation is of such a substantial nature as to war-
5 rant termination of the contract, to forfeit all rights to pay-
6 ments or grants under the contract, and to refund to the
7 United States all payments and grants received by him
8 thereunder.

9 (B) In the event that the Secretary determines that
10 there has been a violation of the contract but that such
11 violation is of such a nature as not to warrant termination
12 of the contract, to accept such payment adjustments, forfeit
13 such benefits, and make such refunds to the United States
14 of payments and benefits received by him, under the con-
15 tract, as the Secretary may determine to be appropriate.

16 (7) To such additional provisions as the Secretary
17 determines are desirable and includes in the contract to
18 effectuate the purposes of this title and to facilitate the
19 practical administration of the conservation reserve pro-
20 gram, including provisions relating to control of noxious
21 weeds.

22 (b) In return for such agreement by the producer the
23 Secretary shall agree:

24 (1) To bear such part of the cost (including labor) of
25 establishing and maintaining vegetative cover or water

1 storage facilities, or other soil-, water-, wildlife-, or forest-
2 conserving uses, on the designated acreage as the Secretary
3 determines to be necessary to effectuate the purposes of this
4 title, but not to exceed a maximum amount per acre or
5 facility prescribed by the Secretary for the county or area
6 in which the farm is situated; and

7 (2) To make an annual payment to the producer for
8 the term of the contract upon determination that he has
9 fulfilled the provisions of the contract entitling him to such
10 payment. The rate or rates of the annual payment to be
11 provided for in the contracts shall be established on such
12 basis as the Secretary determines will provide producers
13 with a fair and reasonable annual return on the land estab-
14 lished in protective vegetative cover or water storage facili-
15 ties, or other soil-, water-, wildlife-, or forest-conserving uses,
16 taking into consideration the value of the land for the pro-
17 duction of commodities customarily grown on such kind of
18 land in the county or area, the prevailing rates for cash
19 rentals for similar land in the county or area, the incentive
20 necessary to obtain contracts covering sufficient acreage for
21 the substantial accomplishment of the purposes of the con-
22 servation reserve program, and such other factors as he
23 deems appropriate. Such rate or rates may be determined
24 on an individual farm basis, a county or area basis, or such

1 other basis as the Secretary determines will facilitate the
2 practical administration of the program.

3 (c) In determining the lands in any area to be covered
4 by contracts entered into under this section, the Secretary
5 may use advertising and bid procedure if he determines that
6 such action will contribute to the effective and equitable
7 administration of the conservation reserve program.

8 (d) A contract shall not be terminated under paragraph
9 (6) of subsection (a) unless the nature of the violation
10 is such as to defeat or substantially impair the purposes of
11 the contract. Whenever the State committee believes that
12 there has been a violation which would warrant termina-
13 tion of a contract, the producer shall be given written notice
14 thereof by registered mail or personal service, and the pro-
15 ducer shall, if he requests such an opportunity within thirty
16 days after the delivery or service of such notice, be given
17 an opportunity to show cause, in an informal proceeding
18 before the county committee under regulations promulgated
19 by the Secretary, why the contract should not be termi-
20 nated. If the producer does not request an opportunity
21 to show cause why the contract should not be terminated
22 within such thirty-day period, the determination of the State
23 committee made in accordance with regulations of the Sec-
24 retary shall be final and conclusive. If the producer within

1 such thirty-day period requests an opportunity to show cause
2 why the contract should not be terminated, the county com-
3 mittee, at the conclusion of the proceeding, shall submit a
4 report, including its recommendations, to the State commit-
5 tee for a determination, on the basis of such report and
6 such other information as is available to the State com-
7 mittee, as to whether there has been a violation which would
8 warrant termination of the contract. The producer shall be
9 accorded the right, in accordance with regulations promul-
10 gated by the Secretary, to appear before the State committee
11 in connection with the State committee's determination of
12 the issue. The producer shall be given written notice by
13 registered mail or personal service of the State committee's
14 determination. If the producer feels aggrieved by such de-
15 termination, he may obtain judicial review of such deter-
16 mination by filing a complaint with the United States dis-
17 trict court for the district in which the land covered by
18 the contract is located, within ninety days after the delivery
19 or service of notice of such determination, requesting the
20 court to set aside such determination. Service of process
21 in such action shall be made in accordance with the rule for
22 service of process upon the United States prescribed by the
23 Rules of Civil Procedure for the United States District
24 Courts. The copy of the summons and complaint required
25 to be delivered to the officer or agency whose order is being

1 attacked shall be sent to the chairman of the State com-
2 mittee. The action in the United States district court shall
3 be a trial de novo to determine whether there has been a
4 violation which would warrant termination of the contract.
5 If the producer does not seek judicial review of the State
6 committee's determination within the ninety-day period
7 allowed therefor, the State committee's determination shall
8 be final and conclusive. The terms "county committee" and
9 "State committee" as used herein refer to the county and
10 State committees established under section 8 of the Soil
11 Conservation and Domestic Allotment Act, as amended.

12 CONSERVATION RESERVE GOAL

13 SEC. 108. (a) The Secretary shall not later than Feb-
14 ruary 1 of each year determine and announce the national
15 conservation reserve goal for such year. Such goal shall
16 be that percentage which the Secretary determines it is
17 practicable to cover by contracts during such year of the
18 number of acres, if any, by which (1) the acreage used
19 for the production of agricultural commodities during the
20 year preceding the year for which such determination is
21 made, plus any acreage then in the acreage or conservation
22 reserve program or retired from production as a result of
23 acreage allotments or marketing quotas, exceeds (2) the
24 acreage needed during the year for which such determina-
25 tion is made for the production of agricultural commodities

1 for domestic consumption and export and an adequate allow-
2 ance for carryover. As soon as practicable after the enact-
3 ment of this title the Secretary shall determine the national
4 conservation acreage goal for 1956.

5 (b) In distributing the national acreage goal among
6 the various States and major crop production regions, the
7 Secretary shall give due regard to the respective needs of
8 the various States and regions for flood control, drought
9 control, and other conservation benefits; the desires of pro-
10 ducers in particular States or regions to participate in the
11 conservation program; the diversion of acreage from crops
12 under acreage allotments or marketing quotas; and the need
13 to assure adequate production of agricultural commodities
14 and products not in surplus and to discourage the produc-
15 tion of agricultural commodities and products in surplus.

16 (c) The Secretary shall transmit to the Congress on
17 or before March 15 of each year a report of the scope of
18 the conservation reserve program for the preceding year
19 and the basis for participation in such program in the
20 various States and major crop production regions of the
21 country.

22 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

23 SEC. 109. (a) The Secretary is authorized to formulate
24 and announce programs under this subtitle B and to enter
25 into contracts thereunder with producers during the five-

1 year period 1956-1960 to be carried out during the period
2 ending not later than December 31, 1969, except that
3 contracts for the establishment of tree cover may continue
4 until December 31, 1974.

5 (b) The period covered by any contract shall not
6 exceed ten years, except that contracts for the establishment
7 of tree cover may extend for fifteen years.

8 (c) In carrying out the conservation reserve program,
9 the Secretary shall not enter into contracts with producers
10 which would require payments to producers, including the
11 cost of materials and services, in excess of \$450,000,000
12 in any calendar year.

13 TERMINATION AND MODIFICATION OF CONTRACTS

14 SEC. 110. (a) The Secretary may terminate any con-
15 tract with a producer by mutual agreement with the pro-
16 ducer if the Secretary determines that such termination
17 would be in the public interest.

18 (b) The Secretary may agree to such modification of
19 contracts previously entered into as he may determine to
20 be desirable to carry out the purposes of this title and to
21 facilitate the practical administration of the conservation
22 reserve program.

23 CONSERVATION MATERIALS AND SERVICES

24 SEC. 111. (a) The Secretary may purchase or produce
25 conservation materials and services and make such materials

1 and services available to producers under the conservation
2 reserve program to aid them in establishing vegetative cover
3 or water storage facilities, or other soil-, water-, wildlife-,
4 or forest-conserving uses, under contracts authorized by this
5 subtitle B, may reimburse and Federal, State, or local govern-
6 ment agency for conservation materials and services fur-
7 nished by such agency, and may pay expenses necessary in
8 making such materials, and services available, including all
9 or part of the costs incident to the delivery, application,
10 or installation of materials and services.

11 (b) Notwithstanding any other provision of law, in
12 making conservation materials and services available to pro-
13 ducers hereunder, the Secretary may make payments, in
14 advance of determination of performance by the producers,
15 to persons who fill purchase orders covering approved con-
16 servation materials or who render services to the Secretary
17 in furnishing to producers approved conservation materials
18 or services for the establishment by the producers of vegeta-
19 tive cover or water storage facilities, or other soil-, water-,
20 wildlife-, or forest-conserving uses, under contracts authorized
21 by this subtitle B. The price at which purchase orders for
22 any conservation material or service are filled may be limited,
23 if the Secretary determines that it is necessary in the interest
24 of producers and the Government, to a fair price fixed in
25 accordance with regulations prescribed by the Secretary.

EFFECT ON OTHER PROGRAMS

SEC. 112. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of

1 Alaska and Hawaii, the Commonwealth of Puerto Rico,
2 and the Virgin Islands, and as used in this subtitle B, the
3 term "State" includes Alaska, Hawaii, Puerto Rico, and the
4 Virgin Islands.

5 SUBTITLE C—GENERAL PROVISIONS

6 COMPLIANCE WITH ACREAGE ALLOTMENTS

7 SEC. 114. No person shall be eligible for payments or
8 compensation under this title with respect to any farm for
9 any year in which (1) the acreage of any basic agricultural
10 commodity other than wheat or corn on the farm exceeds the
11 farm acreage allotment for the commodity under title III of
12 the Agricultural Adjustment Act of 1938, as amended, or
13 (2) the wheat acreage on the farm exceeds the larger of the
14 farm wheat acreage allotment under such title or fifteen
15 acres, or (3) the corn acreage on the farm, in the case of a
16 farm in the commercial corn-producing area, exceeds the
17 farm base acreage for corn or the farm acreage allotment,
18 whichever is in effect, or (4) the acreage planted to feed
19 grains on the farm exceeds the farm base acreage for feed
20 grains, except that such requirement for compliance with the
21 farm base acreage for feed grains shall not apply for 1956.
22 For the purpose of this section, a producer shall not be
23 deemed to have exceeded his farm acreage allotment or farm
24 base acreage, unless such producer knowingly exceeded such
25 allotment or base acreage and, in the case of wheat, unless

1 such producer knowingly exceeded the farm acreage allot-
2 ment or fifteen acres, whichever is larger.

3 REAPPORTIONMENT PROHIBITED

4 SEC. 115. No acreage diverted from the production of
5 any commodity subject to acreage allotments as a result of
6 participation in the acreage reserve or conservation reserve
7 programs shall be reapportioned or allotted to any other
8 farm.

9 CERTIFICATE OF CLAIMANT

10 SEC. 116. Subject to the provisions of section 105 (b),
11 payment or compensation authorized by this title may be
12 made upon the certificate of the claimant, in such form as
13 the Secretary may prescribe, that he has complied with
14 all requirements for such payment and that the statements
15 and information contained in the application for payment are
16 correct and true, to the best of his knowledge and belief.

17 UTILIZATION OF LOCAL AND STATE COMMITTEES

18 SEC. 117. In administering this title in the continental
19 United States, the Secretary shall utilize the services of
20 local, county, and State committees established under section
21 8 of the Soil Conservation and Domestic Allotment Act, as
22 amended.

23 UTILIZATION OF OTHER AGENCIES

24 SEC. 118. With respect to conservation aspects of any

1 program under this title, the Secretary shall consult with
2 the soil-conservation districts, State foresters, State game
3 and fish agencies, land-grant colleges, and other appropriate
4 agencies of State governments, and with the Fish and Wild-
5 life Service, in the formulation of program provisions at the
6 State and county levels. The technical resources of the
7 Soil Conservation Service, the Forest Service, the land-
8 grant colleges, the State foresters, State game and fish
9 agencies, the Fish and Wildlife Service, and other appro-
10 priate technical services shall be utilized, so far as practicable,
11 to assure coordination of conservation activities and a solid
12 technical foundation for the program.

13 UTILIZATION OF LAND USE CAPABILITY DATA

14 SEC. 119. In administering this title the Secretary shall
15 utilize to the fullest practicable extent land use capability
16 data, including capability surveys as developed by the Soil
17 Conservation Service, and shall carry forward to completion
18 as rapidly as possible the basic land inventory of the Nation.

19 FINANCING

20 SEC. 120. (a) The Secretary is authorized to utilize the
21 facilities, services, authorities, and funds of the Commodity
22 Credit Corporation in discharging his functions and responsi-
23 bilities under this title, including payment of costs of adminis-
24 tration for the programs authorized under this title: *Provided*,
25 That the Secretary shall, prior to February 1, 1957, or such

1 earlier date as may be practicable, submit to the Congress
2 a full program of all operations under this title which will
3 require the making of expenditures during the fiscal year
4 ending June 30, 1958; and, after June 30, 1957, the
5 Commodity Credit Corporation shall not make any expendi-
6 tures for carrying out the purposes of this title unless the
7 Corporation has received funds to cover such expenditures
8 from appropriations made to carry out the purposes of this
9 title. There are hereby authorized to be appropriated such
10 sums as may be necessary to carry out the purposes of this
11 title, including such amounts as may be required to make
12 payments to the Corporation for its actual costs incurred
13 or to be incurred under this section.

14 (b) All funds available for carrying out the purposes
15 of this title shall be available for transfer to such agencies of
16 the Federal or State governments as the Secretary may re-
17 quest to cooperate or assist in carrying out this title; and for
18 technical assistance in formulating and carrying out the pro-
19 grams authorized by this title. The Secretary may make
20 such payments in advance of determination of performance.

21 FINALITY OF DETERMINATIONS

22 SEC. 121. The facts constituting the basis for any pay-
23 ment or compensation, or the amount thereof, authorized
24 to be made under this title, when officially determined in
25 conformity with applicable regulations prescribed by the

1 Secretary, shall be final and conclusive and shall not be
2 reviewable by any other officer or agency of the Government.
3 In case any producer who is entitled to any payment or
4 compensation dies, becomes incompetent, or disappears before
5 receiving such payment or compensation, or is succeeded by
6 another who renders or completes the required performance,
7 the payment or compensation shall, without regard to any
8 other provisions of law, be made as the Secretary may deter-
9 mine to be fair and reasonable in all the circumstances and
10 so provide by regulations.

11 PROTECTION OF TENANTS AND SHARECROPPERS

12 SEC. 122. In the formulation and administration of pro-
13 grams under this title, the Secretary shall provide adequate
14 safeguards to protect the interests of tenants and sharecrop-
15 pers, including provision for sharing, on a fair and equitable
16 basis, in payments or compensation under this title, and in-
17 cluding such provision as may be necessary to prevent them
18 from being forced off the farm. Applications to participate
19 in any such program shall specify the basis on which the
20 landlord, tenants, and sharecroppers are to share in such
21 payments or compensation, and no contract under any such
22 program shall be entered into unless such basis is approved
23 by the county committee and incorporated into the contract.
24 The standards prescribed by the Secretary for the guidance
25 of county committees in determining whether any such basis

1 shall be approved shall include the requirement that consid-
2 eration be given to the respective contributions which would
3 have been made by the landlord, tenants, and sharecroppers
4 in the production of the crops which would have been pro-
5 duced on the acreage diverted from production under the
6 contract and the basis on which they would have shared in
7 such crops or the proceeds thereof.

8 PENALTY FOR GRAZING OR HARVESTING

9 SEC. 123. Any producer who knowingly and willfully
10 grazes or harvests any crop from any acreage in violation
11 of a contract entered into under section 103 or 107 shall
12 be subject to a civil penalty equal to 50 per centum of
13 the compensation payable for compliance with such con-
14 tract for the year in which the violation occurs. Such
15 penalty shall be in addition to any amounts required to
16 be forfeited or refunded under the provisions of such con-
17 tract, and shall be recoverable in a civil suit brought in
18 the name of the United States.

19 REGULATIONS

20 SEC. 124. The Secretary shall prescribe such regula-
21 tions as he determines necessary to carry out the provisions
22 of this title.

23 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

24 SEC. 125. The President shall, with respect to farm-
25 lands now or hereafter owned by the Federal Government,

1 restrict insofar as practicable the leasing of such lands for
2 the production of agricultural commodities in surplus supply.

3 POOLING OF CONSERVATION RESERVE LAND

4 SEC. 126. Whenever management of family farms or
5 optimum land use will be aided, the Secretary of Agriculture
6 is authorized to permit farmers to pool their rights to par-
7 ticipate jointly in the conservation reserve program on prop-
8 erty other than their home farms.

9 TITLE II—SURPLUS DISPOSAL

10 PROGRAM OF ORDERLY LIQUIDATION

11 SEC. 201. (a) The Commodity Credit Corporation shall,
12 as rapidly as possible consistent with its existing authority,
13 the operation of the price support program, and orderly
14 liquidation, dispose of all stocks of agricultural commodities
15 held by it.

16 (b) The Secretary shall submit to Congress within
17 ninety days after the enactment of this Act detailed pro-
18 grams, with recommendations for any additional legislation
19 needed to carry out such programs, (1) for the disposition of
20 surplus commodities as required by subsection (a) above;
21 (2) for a food stamp plan or similar program for distribu-
22 tion through States (including the District of Columbia, the
23 Territories, Puerto Rico and the Virgin Islands) and local
24 units of Government of future surplus production to needy
25 persons in the United States, its Territories, and possessions,

1 so as to prevent the accumulation of commodities in the
2 hands of the Commodity Credit Corporation; and (3) for
3 strategic stockpiling of foodstuffs and other agricultural prod-
4 ucts (A) inside the United States and (B) outside the
5 United States as authorized in section 415 of the Mutual
6 Security Act of 1954. The Secretary shall report annually
7 on his operations under subsection (a) and such reports
8 shall show—

9 (1) the quantities of surplus commodities on hand;

10 (2) the methods of disposition utilized and the
11 quantities disposed of during the preceding twelve
12 months;

13 (3) the methods of disposition to be utilized and
14 the estimated quantities that can be disposed of during
15 the succeeding twelve months;

16 (4) a detailed program for the expansion of markets
17 for surplus agricultural commodities through marketing
18 and utilization research and improvement of marketing
19 facilities; and

20 (5) recommendations for additional legislation nec-
21 essary to accomplish the purposes of this section.

22 EXTRA-LONG STAPLE COTTON

23 SEC. 202. (a) Hereafter the quota for cotton having a
24 staple length of one and one-eighth inches or more, estab-
25 lished September 20, 1939, pursuant to section 22 of the

1 Agricultural Adjustment Act of 1933, as amended, shall
2 apply to the same grades and staple lengths included in the
3 quota when such quota was initially established. Such quota
4 shall provide for cotton having a staple length of one and
5 eleven-sixteenths inches and longer, and shall establish dates
6 for the quota year which will recognize and permit entry
7 to conform to normal marketing practices and requirements
8 for such cotton.

9 (b) Beginning not later than August 1, 1956, the Com-
10 modity Credit Corporation is directed to sell for export at
11 competitive world prices its stocks of domestically pro-
12 duced extra long staple cotton on hand on the date of
13 enactment of this Act. The amount offered and the price
14 accepted by the Commodity Credit Corporation shall be such
15 as to dispose of such quantity in an orderly manner and
16 within a reasonable period of time.

17 **AGREEMENTS LIMITING IMPORTS**

18 SEC. 203. The President may, whenever he determines
19 such action appropriate, negotiate with representatives of
20 foreign governments in an effort to obtain agreements limit-
21 ing the export from such countries and the importation into
22 the United States of any agricultural commodity or product
23 manufactured therefrom or textiles or textile products, and
24 the President is authorized to issue regulations governing
25 the entry or withdrawal from warehouse of any such com-

1 commodity, product, textiles, or textile products to carry out
2 any such agreement. Nothing herein shall affect the author-
3 ity provided under section 22 of the Agricultural Adjustment
4 Act (of 1933) as amended.

5 APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

6 SEC. 204. There is hereby authorized to be appropriated
7 for each fiscal year, beginning with the fiscal year ending
8 June 30, 1957, the sum of \$500,000,000 to enable the Secre-
9 tary of Agriculture to further carry out the provisions of
10 section 32, Public Law 320, Seventy-fourth Congress, as
11 amended (7 U. S. C. 612c), subject to all provisions of law
12 relating to the expenditure of funds appropriated by such
13 section, except that up to 50 per centum of such \$500,000,-
14 000 may be devoted during any fiscal year to any one agri-
15 tural commodity or the products thereof.

16 TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL

17 STOCKPILE

18 SEC. 205. (a) Strategic and other materials acquired by
19 the Commodity Credit Corporation as a result of barter or
20 exchange of agricultural commodities or products, unless
21 acquired for the national stockpile established pursuant to
22 the Strategic and Critical Materials Stock Piling Act (50
23 U. S. C. 98-98h), or for other purposes shall be transferred
24 to the supplemental stockpile established by section 104 (b)

1 of the Agricultural Trade Development and Assistance Act
2 of 1954 (7 U. S. C. 1704).

3 (b) Strategic materials acquired by the Commodity
4 Credit Corporation as a result of barter or exchange of
5 agricultural commodities or products may be entered, or
6 withdrawn from warehouse, free of duty.

7 (c) In order to reimburse the Commodity Credit Cor-
8 poration for materials transferred to the supplemental stock-
9 pile there are hereby authorized to be appropriated amounts
10 equal to the value of any materials so transferred. The value
11 of any such material for the purpose of this subsection, shall
12 be the lower of the domestic market price or the Commodity
13 Credit Corporation's investment therein as of the date of
14 such transfer, as determined by the Secretary of Agriculture.

15 SURPLUS DISPOSAL ADMINISTRATOR

16 SEC. 206. The Secretary of Agriculture is authorized
17 to appoint an agricultural surplus disposal administrator,
18 at a salary rate of not exceeding \$15,000 per annum, whose
19 duties shall include such responsibility for activities of the
20 Department, including those of the Commodity Credit Cor-
21 poration, relating to the disposal of surplus agricultural
22 commodities as the Secretary may direct.

23 PAYMENT OF OCEAN FREIGHT

24 SEC. 207. The Agricultural Trade Development and
25 Assistance Act of 1954, as amended, is amended as follows:

1 (a) The first sentence of section 103 (a) is amended
2 by striking out the word "and" following the words "han-
3 dling costs," and by inserting immediately before the period
4 the following: "and, (3) all Commodity Credit Corporation
5 funds expended for ocean freight costs authorized under title
6 II hereof for purposes of section 416 of the Agricultural Act
7 of 1949, as amended".

8 (b) Section 201 is amended by striking out "f. o. b.
9 vessels in United States ports,".

10 (c) The first sentence of section 203 is amended to
11 read as follows: "Not more than \$500,000,000 (including
12 the Corporation's investment in such commodities) shall be
13 expended for all such transfers and for other costs authorized
14 by this title." Section 203 is further amended by adding
15 at the end of the section the following: "Such transfers may
16 include delivery f. o. b. vessels in United States ports and,
17 upon a determination by the President that it is necessary
18 to accomplish the purposes of this title or of section 416
19 of the Agricultural Act of 1949, as amended, ocean freight
20 charges from United States ports to designated ports of
21 entry abroad may be paid from funds available to carry
22 out this title on commodities transferred pursuant hereto
23 or donated under said section 416. Funds required for ocean
24 freight costs authorized under this title may be transferred

1 by the Commodity Credit Corporation to such other Federal
2 agency as may be designated by the President."

3 COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
4 INCREASED INDUSTRIAL USE OF AGRICULTURAL
5 PRODUCTS

6 SEC. 208. (a) (1) There is hereby established a bipar-
7 tisan Commission on Increased Industrial Use of Agricultural
8 Products (hereafter referred to as "the Commission"). The
9 Commission shall be composed of five members, of whom not
10 more than three shall be members of the same political
11 party, to be appointed by the President by and with the
12 advice and consent of the Senate. In making such appoint-
13 ments the President shall give due consideration to the
14 interests of various segments of agriculture. One of the
15 members so appointed shall be designated as Chairman by
16 the President.

17 (2) Members of the Commission shall be paid compen-
18 sation at the rate of \$50 per day and shall be reimbursed
19 for necessary traveling and other expenses incurred by them
20 in the performance of their duties as members of the Com-
21 mission.

22 (3) The Commission is authorized to appoint and fix
23 the compensation, without regard to the civil-service laws
24 and the Classification Act of 1949, as amended, of an execu-
25 tive director and such chemists, engineers, agriculturists,

1 attorneys, and other assistants as it may deem necessary.
2 The Secretary of Agriculture is authorized to provide the
3 Commission with necessary office space, and may detail,
4 on a reimbursable basis, any personnel of the Department of
5 Agriculture to assist the Commission in carrying out its work.

6 (4) Upon request of the Commission, any other de-
7 partment or agency of the Government having information
8 or data needed by the Commission in carrying out its duties
9 under this section, shall make such information or data
10 available to the Commission for such purposes. The Com-
11 mission shall take such steps as may be necessary to pro-
12 tect against unauthorized disclosure any such information or
13 data which may be classified for security purposes.

14 (5) Service of an individual as a member of the Com-
15 mission or employment of an individual by the Commission
16 in a technical or professional field, on a part-time or full-time
17 basis, shall not be considered as service or employment
18 bringing such individual within the provisions of section
19 281, 283, 284, 434 or 1914 of title 18 of the United States
20 Code, or section 190 of the Revised Statutes (5 U. S. C. 99) .

21 (b) It shall be the duty of the Commission to prepare
22 and present to the Congress, not later than June 15, 1957,
23 the necessary recommendations which in its opinion will
24 bring about the greatest practical use for industrial purposes
25 of agricultural products not needed for human or animal

1 consumption, including, but not limited to, use in the manu-
2 facture of rubber, industrial alcohol, motor fuels, plastics, and
3 other products.

4 (c) There is hereby authorized to be appropriated such
5 sum, not to exceed \$150,000, as may be necessary to enable
6 the Commission to carry out its functions.

7 (d) Upon submission of the recommendations referred
8 to in subsection (b), the Commission shall cease to exist.

9 DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

10 SEC. 209. Notwithstanding any other limitations as to
11 the disposal of surplus commodities acquired through price
12 support operations, the Commodity Credit Corporation is
13 authorized on such terms and under such regulations as
14 the Secretary of Agriculture may deem in the public interest,
15 and upon application, to donate food commodities acquired
16 through price support operations to Federal penal and
17 correctional institutions, and to State correctional institu-
18 tions for minors, other than those in which food service
19 is provided for inmates on a fee, contract, or concession
20 basis.

21 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL

22 PROJECTS

23 SEC. 210. (a) For a period of three years from the
24 date of enactment of this Act, no agricultural commodity
25 determined by the Secretary of Agriculture in accordance

1 with subsection (c) to be in surplus supply shall receive
2 any crop loans or Federal farm payments or benefits if grown
3 on any newly irrigated or drained lands within any Federal
4 irrigation or drainage project hereafter authorized unless
5 such lands were used for the production of such commodity
6 prior to the enactment of this Act.

7 (b) The Secretary of the Interior and the Secretary of
8 Agriculture shall cause to be included, in all irrigation,
9 drainage, or flood-control contracts entered into with respect
10 to Federal irrigation, drainage, or flood-control projects
11 hereafter authorized, such provisions as they may deem
12 necessary to provide for the enforcement of the provisions
13 of this section. For a period of three years from the date
14 of enactment of this Act surplus crops grown on lands re-
15 claimed by flood-control projects hereafter authorized and
16 the lands so reclaimed shall be ineligible for any benefits
17 under the soil-bank provisions of this Act and under price
18 support legislation.

19 (c) On or before October 1 of each year, the Secretary
20 of Agriculture shall determine and proclaim the agricultural
21 commodities the supplies of which are in excess of estimated
22 requirements for domestic consumption and export plus
23 adequate reserves for emergencies. The commodities so
24 proclaimed shall be considered to be in surplus supply for
25 the purposes of this section during the succeeding crop year.

1 (d) For the purposes of this section the term "Federal
2 irrigation or drainage project" means any irrigation or drain-
3 age project subject to the Federal reclamation laws (Act of
4 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
5 or supplementary thereto) in effect at the date of the adoption
6 of this amendment and any irrigation or drainage project
7 subject to the laws relating to irrigation and drainage ad-
8 ministered by the Department of Agriculture or the Secre-
9 tary of Agriculture.

10 PROCESSING OF DONATED FOOD COMMODITIES

11 SEC. 211. Section 416 of the Agricultural Act of 1949,
12 as amended, is amended by inserting before the last sentence
13 thereof a new sentence as follows: "In addition, in the case
14 of food commodities disposed of under this section, the Com-
15 modity Credit Corporation may pay the cost of processing
16 such commodities into a form suitable for home or institu-
17 tional use, such processing to be accomplished through pri-
18 vate trade facilities to the greatest extent possible."

19 TITLE III—MARKETING QUOTAS AND ACREAGE
20 ALLOTMENTS

21 EXTENSION OF SURRENDER AND REAPPORTIONMENT PRO-
22 VISIONS FOR WHEAT ACREAGE ALLOTMENTS

23 SEC. 301. Section 334 (f) of the Agricultural Adjust-
24 ment Act of 1938, as amended, is amended by striking out

1 "1955" wherever it appears in such subsection and inserting
2 in lieu thereof "1955, 1956, or 1957".

3 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

4 SEC. 302. Section 342 of the Agricultural Adjustment
5 Act of 1938, as amended, is hereby amended by adding at
6 the end thereof the following: "Notwithstanding the fore-
7 going provisions of this section, the national marketing quota
8 for cotton for 1957 and 1958 shall be not less than the
9 number of bales required to provide a national acreage allot-
10 ment for 1957 and 1958 equal to the national acreage allot-
11 ment for 1956."

12 COTTON—SMALL FARM ALLOTMENTS

13 SEC. 303. (a) Section 344 (b) of the Agricultural Ad-
14 justment Act of 1938, as amended, is amended by inserting
15 before the period at the end thereof a colon and the following:
16 "*Provided*, That there is hereby established a national acre-
17 age reserve consisting of one hundred thousand acres which
18 shall be in addition to the national acreage allotment; and
19 such reserve shall be apportioned to the States on the basis of
20 their needs for additional acreage for establishing minimum
21 farm allotments under subsection (f) (1), as determined by
22 the Secretary without regard to State and county acreage re-
23 serves (except that the amount apportioned to Nevada shall
24 be one thousand acres), and the additional acreage so appor-

tioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State*

1 committee is required to reserve under this proviso shall be
2 allocated to counties on the basis of their needs for additional
3 acreage for establishing minimum farm allotments under sub-
4 section (f) (1), and added to the county acreage allotment
5 for apportionment to farms pursuant to subsection (f) of this
6 section (except that no part of such additional acreage shall
7 be used to increase the county reserve above 15 per centum
8 of the county allotment determined without regard to such
9 additional acreages).”

10 (c) Section 344 (f) of the Agricultural Adjustment Act
11 of 1938, as amended, is amended by changing paragraph (1)
12 to read as follows:

13 “(1) Insofar as such acreage is available, there shall be
14 allotted the smaller of the following: (A) four acres; or (B)
15 the highest number of acres planted to cotton in any year of
16 such three-year period.”

17 (d) The first sentence of section 344 (f) (6) of such
18 Act is amended to read as follows: “Notwithstanding the
19 provisions of paragraph (2) of this subsection, if the county
20 committee recommends such action and the Secretary de-
21 termines that such action will result in a more equitable dis-
22 tribution of the county allotment among farms in the county,
23 the remainder of the county acreage allotment (after making
24 allotments as provided in paragraph (1) of this subsection)
25 shall be allotted to farms other than farms to which an allot-

1 ment has been made under paragraph (1) (B) of this sub-
2 section so that the allotment to each farm under this para-
3 graph together with the amount of the allotment of such
4 farm under paragraph (1) (A) of this subsection shall be a
5 prescribed percentages (which percentage shall be the same
6 for all such farms in the county) of the average acreage
7 planted to cotton on the farm during the three years im-
8 mediately preceding the year for which such allotment is de-
9 termined, adjusted as may be necessary for abnormal condi-
10 tions affecting plantings during such three-year period: *Pro-*
11 *vided*, That the county committee may in its discretion limit
12 any farm acreage allotment established under the provisions
13 of this paragraph for any year to an acreage not in excess
14 of 50 per centum of the cropland on the farm, as determined
15 pursuant to the provisions of paragraph (2) of this subsec-
16 tion: *Provided further*, That any part of the county acreage
17 allotment not apportioned under this paragraph by reason
18 of the initial application of such 50 per centum limitation
19 shall be added to the county acreage reserve under para-
20 graph (3) of this subsection and shall be available for the
21 purposes specified therein."

22 (e) The amendments made by this section shall be
23 effective only with respect to 1957 and 1958 crops. For the
24 1956 crop, an acreage in each State equal to the acreage
25 allotted in such State which the Secretary determines will

1 not be planted, placed in the acreage reserve or conservation
2 reserve, or considered as planted under section 377 of the
3 Agricultural Adjustment Act of 1938, as amended, may be
4 apportioned by the Secretary among farms in such State
5 having allotments of less than the smaller of the following:
6 (1) four acres, or (2) the highest number of acres planted
7 to cotton in any of the years 1953, 1954, and 1955.

8 MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE
9 CROP

10 SEC. 304. Section 353 of the Agricultural Adjustment
11 Act of 1938, as amended, is amended by adding to subsection
12 (c) a new paragraph (5) to read as follows:

13 “(5) Each of the State acreage allotments for 1956
14 heretofore proclaimed by the Secretary, after adding thereto
15 any acreage apportioned to farms in the State from the
16 reserve acreage set aside pursuant to subsection (a) of this
17 section, shall be increased by such amount as may be neces-
18 sary to provide such State with an allotment of not less
19 than 85 per centum of its final allotment established for 1955.
20 Any additional acreage required to provide such minimum
21 allotment shall be additional to the national acreage allot-
22 ment. In any State having county acreage allotments for
23 1956, the increase in the State allotment shall be apportioned
24 among counties in the State on the same basis as the State

1 allotment was heretofore apportioned among the counties,
2 but without regard to adjustments for trends in acreage.”

3 INCREASE IN PEANUT MARKETING PENALTIES

4 SEC. 305. Effective beginning with the 1956 crop, sec-
5 tion 359 (a) of the Agricultural Adjustment Act of 1938,
6 as amended, is amended by amending the first sentence
7 thereof to read as follows: “The marketing of any peanuts
8 in excess of the marketing quota for the farm on which
9 such peanuts are produced, or the marketing of peanuts
10 from any farm for which no acreage allotment was deter-
11 mined, shall be subject to a penalty at a rate equal to 75
12 per centum of the support price for peanuts for the market-
13 ing year (August 1–July 31).”

14 COLLECTION OF PEANUT MARKETING PENALTIES

15 SEC. 306. Section 359 of the Agricultural Adjustment
16 Act of 1938, as amended, is amended by adding two new
17 subsections as follows:

18 “(d) The person liable for payment or collection of
19 the penalty provided by this section shall be liable also
20 for interest thereon at the rate of 6 per centum per annum
21 from the date the penalty becomes due until the date of
22 payment of such penalty.

23 “(e) Until the amount of the penalty provided by this
24 section is paid, a lien on the crop of peanuts with respect
25 to which such penalty is incurred, and on any subsequent

1 crop of peanuts subject to marketing quotas in which the
2 person liable for payment of the penalty has an interest
3 shall be in effect in favor of the United States.”

4 PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

5 SEC. 307. The Agricultural Adjustment Act of 1938,
6 as amended, is amended by inserting after section 376 a new
7 section as follows:

8 “PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

9 “SEC. 377. In any case in which, during any year
10 within the period 1956 to 1959, inclusive, for which acre-
11 age planted to such commodity on any farm is less than
12 the acreage allotment for such farm, the entire acreage
13 allotment for such farm shall be considered for purposes of
14 future farm acreage allotments to have been planted to such
15 commodity in such year, but only if the owner or operator
16 of such farm notifies the county committee prior to the
17 sixtieth day preceding the beginning of the marketing year
18 for such commodity of his desire to preserve such allotment.
19 This section shall not be applicable in any case in which
20 the amount of the commodity required to be stored to post-
21 pone or avoid payment of penalty has been reduced because
22 the allotment was not fully planted. Nothing herein shall
23 be construed to permit the allotment to any other farm of
24 the acreage with respect to which notice is given under
25 this section.”

1 ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN
2 AND OTHER FEED GRAINS

3 SEC. 308. (a) Notwithstanding any other provision of
4 law, whenever base acreages are in effect for corn, the Sec-
5 retary shall require, as a condition of eligibility for price
6 support on corn, that the producer (1) devote an acreage
7 of cropland (tilled in normal rotation), at the option of the
8 producer, to either the acreage reserve program for corn
9 or the conservation reserve program, equal to 15 per centum
10 of such producer's farm base acreage for corn, and (2) not
11 exceed such farm base acreage for corn: *Provided*, That
12 price support may be made available to any producer who
13 does not meet the foregoing requirements at such level, not
14 in excess of the level of price support to producers who meet
15 such requirements, as the Secretary determines will facili-
16 tate the effective operation of the price support program.
17 Corn acreage allotments shall not be effective for the 1956
18 crop.

19 (b) Not later than December 15, 1956, the Secretary
20 shall conduct a referendum of producers of corn in 1956 in
21 the commercial corn-producing area to determine whether
22 such producers favor a price-support program as provided
23 in subsection (c) of this section for the 1957 and subse-
24 quent crops in lieu of acreage allotments as provided in the
25 Agricultural Adjustment Act of 1938, as amended, and price

1 support as provided in section 101 of the Agricultural Act of
2 1949, as amended.

3 (c) Notwithstanding any other provision of law, if two-
4 thirds or more of the producers voting in the referendum con-
5 ducted pursuant to subsection (b) hereof favor a price-sup-
6 port program as provided in this subsection (c), no acreage
7 allotment of corn shall be established for the commercial corn-
8 producing area for any county, or for any farm, with respect
9 to the 1957 and subsequent crops, and price support made
10 available for such crops by Commodity Credit Corporation
11 shall be at such level as the Secretary determines will assist
12 producers in marketing corn in the normal channels of trade
13 but not encourage the uneconomic production of corn.

14 (d) Notwithstanding any other provision of law, for each
15 of the years 1956 and 1957 in which an acreage reserve pro-
16 gram will be in effect for corn, the level of price support for
17 corn produced outside the commercial corn-producing area
18 shall be $82\frac{1}{2}$ per centum of the level of price support for corn
19 produced in the commercial corn-producing area, and the level
20 of price support for each of the commodities, grain sorghums,
21 barley, rye, and oats, shall be a percentage of the parity
22 price for each such commodity which is 5 percentage points
23 less than the percentage of the parity price announced in
24 advance of the planting season pursuant to section 406 of
25 the Agricultural Act of 1949, as amended, as the level of

1 price support for corn in the commercial corn-producing
2 area. The Secretary shall require as a condition of eligibil-
3 ity for such price support of such feed grains (corn produced
4 outside the commercial corn-producing area, grain sorghums,
5 barley, rye, and oats) that the producer (1) except in the
6 case of new feed grain farms, devote an acreage on the
7 farm to either the acreage reserve program for feed grains
8 or the conservation reserve program equal to 15 per centum
9 of the farm base acreage established for such feed grains
10 under section 103 (c) hereof, and (2) not plant a total
11 acreage of such feed grains on the farm in excess of 85
12 per centum of such farm base acreage for feed grains. The
13 acreage required to be devoted to either the acreage reserve
14 program for feed grains or the conservation reserve program
15 as a condition of eligibility for price support for such feed
16 grains shall be in addition to any acreage required to be
17 devoted to either the acreage reserve program for corn or
18 the conservation reserve program as a condition of eligibility
19 for price support for corn produced in the commercial corn-
20 producing area. Notwithstanding any other provision
21 hereof, the Commodity Credit Corporation shall make avail-
22 able price support for the 1956 crop of grain sorghums,
23 barley, rye, and oats at the levels announced prior to the
24 enactment of this subsection, and for the 1956 crop of corn
25 produced outside the commercial corn-producing area at 75

1 per centum of the level for corn produced in the commercial
2 corn-producing area, to any producer who meets the require-
3 ments of eligibility therefor but who does not meet the
4 additional requirements for price support prescribed by this
5 subsection.

6 TITLE IV—FORESTRY PROVISIONS

7 ASSISTANCE TO STATES FOR TREE PLANTING AND

8 REFORESTATION

9 SEC. 401. (a) The Congress hereby finds and declares
10 that building up and maintaining a level of timber growing
11 stocks adequate to meet the Nation's domestic needs for a
12 dependable future supply of industrial wood is essential to
13 the public welfare and security; that assisting in improving
14 and protecting the more than fifty million acres of idle non-
15 Federal and Federal lands for this purpose would not only
16 add to the economic strength of the Nation, but also bring
17 increased public benefits from other values associated with
18 forest cover; and that it is the policy of the Congress that
19 the Secretary of Agriculture in order to encourage, pro-
20 mote, and assure fully adequate future resources of readily
21 available timber should assist the States in undertaking
22 needed programs of tree planting.

23 (b) Any State forester or equivalent State official may
24 submit to the Secretary of Agriculture a plan for forest land

1 tree planting and reforestation for the purpose of effecting
2 the policy hereinbefore stated.

3 (c) When the Secretary of Agriculture has approved the
4 plan, he is hereby authorized and directed to assist the State
5 in carrying out such plan, which assistance may include giv-
6 ing of advice and technical assistance and furnishing financial
7 contributions: *Provided*, That, for the non-Federal forest land
8 tree planting and reforestation, the financial contribution ex-
9 pended by the Federal Government during any fiscal year
10 to assist the State to carry out the plan shall not exceed the
11 amount expended by the State for the same purposes during
12 the same fiscal year, and the Secretary of Agriculture is au-
13 thorized to make financial contributions on the certificate of
14 the State official in charge of the administration of the plan
15 as to the amount of expenditures made by the State.

16 (d) In any plan that coordinates forest lands under the
17 jurisdiction of any Federal agency other than the Depart-
18 ment of Agriculture, the Secretary of Agriculture shall ob-
19 tain the cooperation and assistance of the Federal agency
20 having jurisdiction and the appropriate State forester in the
21 approval and carrying out of the plan.

22 (e) The Secretary of Agriculture may prescribe such
23 rules and regulations as may be appropriate to carry out the
24 purposes of this section.

- 1 (f) There are hereby authorized to be appropriated such
2 sums as may be necessary to carry out the objects of this
3 section, such sums to remain available until expended.

Passed the House of Representatives May 3, 1956.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS
2^D Session

H. R. 10875

AN ACT

To enact the Agricultural Act of 1956.

MAY 7, 1956

Read twice and referred to the Committee on
Agriculture and Forestry



Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 9, 1956
For actions of May 8, 1956
84th-2nd. No. 75

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HIGHLIGHTS: House passed rural library services bill. Rep. Cooley inserted statement of major provisions of farm bill as passed by House. Rep. Schwengel urged enactment of soil-bank bill.

HOUSE

- 1. LIBRARIES.** Passed with amendments H. R. 2840, to promote the further extension by the several States of public library services to rural areas without such services or with inadequate services; by authorizing appropriation of \$7.5 million each year for 5 years beginning with the fiscal year 1957, for distribution among the various States, with a basic allotment of \$40,000 to each State and \$10,000 for the Virgin Islands. The remaining funds from the \$7.5 million would be distributed among the several States based on the rural population and the States' matching of Federal contributions. Amendments agreed to would provide for judicial determination and review in cases where the Department of Health, Education, and Welfare has ruled that State agencies have not complied with the requirements of the bill (p. 6913); and provide for a more detailed report from State library administrative agencies on expenditures (p. 6911). p. 6887, A3678, A3680
- 2. RECLAMATION.** Agreed to the Senate amendments to H. R. 9132, to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project. p. 6885 This bill is now ready for the President.

3. DAIRY PRODUCTS. Rep. Cole cited the healthful benefits of milk and urged greater milk consumption to improve national health and relieve the dairy surplus. p. 6885

4. BUILDINGS. Received from GSA a proposed bill, "to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes relating to rental rates"; to the Government Operations Committee. p. 6920

5. PERSONNEL. The Rhodes (Pa.) subcommittee of the Post Office and Civil Service Committee ordered reported to the full committee S. 3237, to provide for continuance of life insurance coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, in the case of employees receiving benefits under the Federal Employees' Compensation Act. p. D447

Rep. Rogers criticized the Bradley Commission's report on Veterans' Benefits and inserted an analysis of the report prepared by the DAV. p. 6916

ITEMS IN APPENDIX

6. SOIL BANK. Rep. Schwengel discussed the provisions of the proposed soil-bank program as it relates to the economics of America over a period of years and stated that the conservation-reserve provision of the program is a great step in the direction of a more efficient land-use program. p. A3640

Rep. Cooley stated that the new farm bill embodies the principal provisions of H. R. 12 which were not specifically pointed out by the President as reasons for his veto of H. R. 12 and inserted a statement of the major provisions of the new farm bill as it passed the House. p. A3644

Rep. Johnson, Wis., stated that "the Republican administration's sudden espousal of a soil-bank program presents an interesting case history in political expediency" and inserted Drew Pearson's article on this subject. p. A3657

Rep. Wigglesworth inserted an editorial, "Virtue and the Farm Bill," discussing the so-called political implications in the new farm bill. p. A3665

Rep. Westland inserted a newspaper article which states that "one of the reasons Uncle Sam's agricultural program for 1956 is again being booted around like a football may be because the major farm organizations are not pulling together for a single working solution". p. A3681

Extension of remarks of Rep. Christopher criticizing the President's veto of the farm bill and inserting Mayor Weatherford's, Independence, Mo., speech setting out "in a masterful manner what has happened to the American farmer over the past 3½ years". p. A3693

7. FAMILY FARM. Rep. Cunningham inserted a radio talk by R. K. Bliss, head of the extension service, Iowa State College, "Decrease In Number of United States Farms and Farmers". p. A3646

Rep. Reuss stated that "how to preserve the family-sized farm is one of today's biggest challenges to all Americans who believe in the community values of family-sized farming" and inserted a newspaper article, "How A Bank Solved A Farm Problem". p. A3690

8. TAXATION. Rep. Boggs inserted an address by Rep. Mills, "Federal Tax Policy for Economic Growth", relating to the relationship and effects of Federal revenue measures on the economy. p. A3671

Extension of remarks of Rep. Reed criticizing those who advocate repeal of the Federal income tax because it is too complicated, and recommending ways by which the present income tax laws may be improved. p. A3696

**The Townsend Plan for Help to the Aged,
the Money Therefor To Be Supplied by a
National Gross Income Tax, Is a Sound
Plan**

**EXTENSION OF REMARKS
OF**

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. JOHNSON of California. Mr. Speaker, the Townsend plan has been changed very materially. The plan presently recommended by Dr. Townsend is simple, and a similar plan has been tried and found to be sound and successful. The basic idea of the Townsend plan now, is that to provide for the aged the Government levy a gross income tax. A similar plan has been tried in the Territory of Hawaii and has thus furnished us a yardstick by which to measure the success of such a plan.

Dr. Francis E. Townsend is the authentic pioneer in the development of a plan to give proper aid to the aged. He was born in 1867 and will be 90 years old on January 13, 1957, and is still vigorous and active both physically and mentally.

The Townsend plan has gone through several evolutionary changes largely by the thinking of Dr. Townsend, but also because he has had the support of some very important people who have had experience in the administration of welfare funds under the Social Security System. One of these persons is John C. Cunio, of Modesto, Calif. He has been a member of the California State Welfare Board for over 20 years. This board distributes the social-security funds that the National Government sends to California for distribution to those who qualify. In that manner he has learned how cumbersome and sometimes unjust the present system is.

The present Townsend plan is to levy a gross income tax on all those earning more than \$250 per month. This plan has the support of some people who are authorities on tax problems. It also has been operated and found to be practical and workable.

The Territory of Hawaii has a gross income tax which went into effect in 1935. This is a business privilege tax measured by gross proceeds of sales or gross income. The tax rate is 1 percent on wholesaling and blind persons, 1½ percent producing and manufacturing, except sugar producers and canneries who are taxed at the rate of 2½ percent which is also the applicable rate on all other taxable gross receipts. A \$1 license must be secured and renewed annually on a calendar year basis.

Returns are due and the tax payable on or before the 20th day of the following month. An annual summary and reconciliation return must be filed on or before March 20 of each year.

Taxes are payable at the time of filing of the monthly return, also when annual return is filed if additional tax is due.

Now fortunately there is concrete evidence by persons who are experts in taxation problems that the Townsend plan of today, which provides for a gross income tax levy is a sound system.

In the American Weekly, dated April 22, 1956, was a very interesting article by T. Coleman Andrews, former Commissioner of Internal Revenue, entitled "Let's Get Rid of the Income Tax." He points out very vividly how damaging and unfair the income tax is, and refers to it as "legalized confiscation," "too complicated," "unstable." He goes on to show the great inequities in our income tax. For instance he states that a man who earns \$200,000 a year—he specifically refers to a boxing champion—pays 50 times as much as a person whose tax is on a \$4,000 income.

Under leave to extend my remarks, I am going to place into the RECORD following my remarks the article which I hope every Member of the House will read. It is startling how the Government takes fabulous sums from persons who by ability, ingenuity, and persistent effort contribute wealth which could be turned into producing channels which could bring the cost of living down and produce plenty where now we have poverty.

I particularly hope that everyone will read the predictions which some of the Members of Congress who were against the income tax made and compare them with what has happened.

Private enterprise which is prized by all Americans would be helped immeasurably if the Townsend Plan were placed into effect and the taxes were lowered.

In Indiana the gross income tax is used to solve its financial problems as well as to build up the State. Here is what Indiana said about its plan, printed in U. S. News & World Report, May 27, 1955, page 125:

There is a race in Indiana and a race to debt free Indiana, the State that is attracting more industries per capita than any other. No State debt. Constitution does it. Surplus \$80,000 million. No nuisance or penalty tax. No net income, use, retail sales, corporate or manufacturer's tax. Only one-fourth of 1 percent on gross receipts from sales for processing, resale, etc. not in interstate or foreign commerce; 1 percent on other receipts derived in Indiana except from sale to ultimate consumer (one-half of 1 percent); there is no tax on receipts from sales in interstate or foreign commerce.

Such a plan if placed into effect could not only solve the problem of taking care of the aged and disabled but could also solve the problem created by the large influx of people to California. With such a scheme in operation undoubtedly new industries would rapidly spring up to give employment to these new citizens of California.

Mr. Speaker, this is from page 12 of U. S. News & World Report under date of April 20, 1956, volume XL, No. 16:

What of the idea to end the income tax? It's catching on. The only question is, Where else can \$30 billion come from? Individuals pay about that much out of their income. Tax on retail sales might be geared at a high enough level to meet part of that bill. A turnover tax is used by Russia, along with a low-income tax. That fosters monopoly, as a way to avoid as many transactions

as possible. A flat tax on gross income is another one.

Chances are that there'll always be an income tax, but someday it might be forced lower. Right now a good many people are forced to work a large part of the year just to pay taxes. Then they must knock themselves out week ends filling out complicated forms to make sure that the Government gets every nickel of their income that it can.

Salaried people, wage earners, those whose taxes are withheld at the source, are the ones hardest hit today. They're the ones talking revolt.

Businessmen often have expense accounts. Labor leaders usually enjoy big expense accounts. Professional people are able to take deductions of many kinds not available to the man who has only a salary. Farmers, where income comes into the tax range, have a broad range of deductions.

Income taxes today are highly discriminatory, with privileges for some and a crack-down on others. An idea is getting around that, if everybody paid taxes on the same basis as everybody else, tax rates could be lower.

The following editorial from the Modesto Bee, Modesto, Calif., under date of April 18, 1956, as follows:

TAX INEQUITIES NEED CONTINUED ATTENTION

This is the period when the inequalities of their tax system are borne home to the American people.

When they made out their income-tax returns, Federal and State, many people had a vague and garbled sense that there is a growing minority which enjoys various kinds of preferences, exemptions, and loopholes out of reach to the ordinary salary and wage earner.

And they are right in this vague impression. There are oil nabobs with \$100,000 a year from royalties who get a depletion allowance and pay less than 50 percent in taxes. The ordinary single Joe without an oil well would pay nearly 70 percent.

There are people with enough money to buy substantial shares of stock, hold them 6 months, sell them at a profit, and pay a capital-gains tax far lower than the usual income tax.

There are executives allowed to take part of their pay in shares of stock on which they pay capital gains rather than ordinary income taxes. There are others with handsome expense accounts out of reach of the tax. And there are the holders of tax exempt municipal bonds.

The ordinary salaried man takes his tax straight and it is bitter brew beside the sweetened portion of the favored.

This picture has led within the last few weeks to strong attacks on the tax system by two national publications, Life magazine and Collier's.

The situation flows first from a system of income-tax rates jacked to great heights. This has stimulated tremendous pressure on Congress to provide exemptions. Primarily those who have the power of the checkbook at campaign time and the organized voting blocs have been the successful ones with Congress.

Such are the political realities of the situation that a favor given is virtually never retracted. It goes the other way; one favor invites another and the end of this process is the disintegration of the Federal income-tax system.

Sooner or later the solution must be to rewrite our tax laws, invest them with equity and equality and, once that is achieved, hold the line.

It will be well therefore for the American people to retain their interest in this subject beyond the filing deadlines.

The Agricultural Act of 1956

EXTENSION OF REMARKS OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. COOLEY. Mr. Speaker, on Thursday, May 3, the House passed H. R. 10875, the Agricultural Act of 1956. For the convenience of the Members and to answer numerous inquiries from throughout the Nation, I am inserting at this place in the RECORD a concise statement of the major provisions of this legislation.

H. R. 10875 embodies the principal provisions of H. R. 12 which were not specifically pointed out by the President as reasons for his veto of H. R. 12.

Important provisions of the vetoed H. R. 12 which are not embraced in H. R. 10875 include the 90 percent of parity price supports for major crops, alternate parity computations, an increase in the minimum support level for the dairy industry, and the domestic parity programs for wheat and rice.

In presenting H. R. 10875, the report from the House Committee on Agriculture said:

A majority of the members of this committee and, we believe, a majority of both Houses of the Congress still feel that these provisions (objected to by the President) would have checked and changed the tragic downward trend of the farmers' income and would have improved both farm income and farm purchasing power. But in the present situation, appreciating the right of the President to exercise the constitutional powers of his high office, the committee realizes it would be futile to present again legislation embracing the very provisions which met with the objection of the President.

Thus, H. R. 10875 retains every feature of H. R. 12 that tends to stabilize the agricultural economy, and not specifically rejected by the President.

H. R. 10875 AS PASSED BY THE HOUSE— MAJOR PROVISIONS

First. A \$1,250,000,000-a-year soil bank, in two parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn, peanuts, rice, tobacco, feed grains, other field crops, and grazing lands. Payment to farmers would be made to reduce their acreage of these crops below their acreage allotments of wheat, cotton, peanuts, rice, and tobacco; below their farm base acreage in the case of corn; below their 3-year average in the case of feed grains; or in accordance with regulations set up by the Secretary of Agriculture, in the case of grazing lands. The Department of Agriculture's present estimates of the payments which would be made per acre for this reduction are: Tobacco, \$100-\$300; cotton, \$48-\$60; peanuts, \$50-\$70; wheat, \$18-\$25; corn, \$36-\$50; rice, \$60-\$75; and feed grains, \$15-\$50. A maximum of \$800 million a year could be expended on the acreage reserve for the next 4 years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which pay-

ments approximately equivalent to the rental value of the land would be made, with an annual limit of \$450 million.

Compulsory features, proposed in other soil bank legislation, were not included in H. R. 12—vetoed—or in this bill; limits have been put on the amounts that can be spent on specific crops, thus assuring an equitable distribution of funds; and provision is made for the protection of tenants and sharecroppers.

Second. Corn: The bill authorizes five different programs under which corn farmers may receive price supports on corn in 1956, as follows:

(a) Producers in the commercial area who elect to comply with the acreage allotments previously announced by the Secretary—at the rate of approximately 43 million acres—will be eligible for price supports at \$1.50 per bushel—86.2 percent of parity—under that program, without putting land into the soil bank.

(b) For the operation of the soil bank the bill increases the corn acreage allotment for 1956 by 9 million acres to a total of 51 million acres. Corn producers in the commercial producing area may qualify for price supports at \$1.50 per bushel—86.2 percent of parity—by planting within their allotment from the 51 million-acre base acreage, provided they put into the soil bank an amount of cropland equal to 15 percent of their base acreage of corn.

(c) Producers in the commercial corn area who do not comply with the regular acreage allotments previously announced nor with the base acreage setup for soil bank purposes will still be eligible for price supports, under the noncompliance program recently announced by the Secretary, at the rate of \$1.25 per bushel—about 83 percent of the support level of compliance corn in the commercial area.

(d) Corn producers outside the commercial corn area may comply with the feed-grain provisions of the soil bank and qualify for support at about \$1.24 per bushel—82½ percent of the support level of compliance corn in the commercial area—by planting a total of not to exceed 85 percent of their 3-year average of feed grains and placing into the soil bank an acreage equal to 15 percent of their average feed grain acreage.

(e) Corn producers outside the commercial area who do not choose to participate in the feed-grain and soil bank programs authorized by this bill will be eligible for supports at approximately \$1.12½ per bushel—75 percent of the support level of compliance corn in the commercial area—under the regular support program previously announced by the Secretary.

Third. Feed grains: Classified as feed grains in the bill are grain sorghums, oats, barley, rye, and corn outside the commercial corn area. Producers of feed grains may become eligible for price support at a higher level than that previously announced by the Secretary only by complying with the acreage reduction provisions of the soil bank. These requirements are that the producer not plant a total acreage of feed grains in excess of 85 percent of his base acreage—

which in 1956 will be his average of the previous 3 years—and that he devote an acreage of cropland equal to 15 percent of such base acreage to the soil bank program.

Producers who comply with these requirements in 1956 will be eligible for price support on their grain sorghums, oats, barley, and rye at 81.2 percent of parity—5 parity points below the support level of commercial area corn which has been set by the Secretary at 86.2 percent for 1956—and in the case of corn, 82.5 percent of the support level of commercial area corn. On the basis of present parity calculations this amounts, in terms of national averages, to about: Oats, 69 cents; barley, \$1.08; rye, \$1.35; grain sorghums per hundredweight, \$2.09; and corn, \$1.24.

Feed grain producers who do not choose to participate in the soil bank program will be eligible for price supports at 70 percent of parity as previously announced by the Secretary—except in the case of corn in the noncommercial area which is 75 percent of the support price in the commercial area.

Fourth. Grazing lands: The Secretary is directed to include grazing lands in the acreage reserve program of the soil bank and to formulate a program under which farmers and ranchers would be compensated for placing a portion of their grazing lands in the acreage reserve and "making a corresponding reduction in livestock units." A limitation of \$50 million annually is placed upon the amount that can be spent on the grazing lands portion of the soil bank program.

Fifth. Other field crops: The bill authorizes the inclusion of "other field crops" in the acreage reserve program. The Secretary is authorized to formulate acreage reserve programs for such other field crops as he might designate, such as potatoes, field peas, and so forth. A limitation of \$50 million is placed upon the amount which can be spent annually on such programs.

Sixth. Soil bank payments: The Secretary is directed to make payments to participants in the acreage reserve program as soon as he ascertains that the participant has complied with the agreement to reduce his acreage. Under the previous provisions of the bill the Secretary was authorized to make payment upon the certification of the participant that he "has complied with all requirements for such payment."

In addition to the stipulated acreage reduction, there are a number of other requirements that are or may be a part of the obligation of the participant. In the case of some of these—such as not harvesting any crop from the land or not permitting the land to be grazed—the participant could not certify that he had performed until the contract period had expired. It is probable, therefore, that under the previous provisions of the bill payment could not have been made to the farmer in most instances until after the full year's program had expired.

The Cooley amendment will make it possible for the Secretary to make payment in full to farmers participating in the program as soon as their acreage has

been measured and it is ascertained that they have complied with the acreage reduction stipulated in their contracts. Thus, if the program is put into effect for 1956 crops, farmlands could be measured for compliance with the acreage reserve program at the same time they are measured for compliance with acreage allotments—which measurements will be made in most cases in the early summer—and payment in full for participation in the 1956 acreage reserve program could be made at that time.

Seventh. Appeals procedure: Procedures are provided for appeal by producers whose soil bank contracts have been canceled because of alleged violation.

Eighth. Production on Government-owned lands: The President is directed to restrict insofar as practicable the leasing of Government-owned lands for the production of agricultural commodities in surplus supply.

Ninth. Cotton: The bill provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956. It establishes for 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres, in addition to the national allotment, to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller.

Tenth. Surplus commodities—other provisions: The bill embraces improvements in the disposal of surplus commodities and other important provisions, some of which are discussed below.

To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the State and the Federal Government to donate food commodities to certain penal institutions.

To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and to step up disposal under title II of Public Law 480 from \$300 million to \$500 million.

An attack is made upon the surplus problem affecting long staple cotton by again placing extra long staple cotton, now exempt from quotas, within the quota set up for all cotton longer than $1\frac{1}{8}$ inches.

Solution of our surplus problem, particularly in textiles, would be substantially assisted by authority clearly given the President in this bill to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

An appropriation of an additional \$500 million annually is authorized for section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

Provision is made for the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

In order to encourage further the underplanting of acreage allotments, the bill authorized a producer, for the first time, to plant only a part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This could eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

To make present production adjustment laws more effective, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there are other directives in the bill designed also to deal with the surplus situation.

The Secretary of Agriculture is directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He is directed to report to Congress within 90 days on this important matter. He is directed to make a similar study and report on the matter of establishing strategic stockpiles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He is directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long-staple cotton specifically.

Address Delivered by Hon. John P. Saylor, House of Representatives, at the American Mining Congress, Cincinnati, Ohio, on Monday, May 7, 1956

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. SAYLOR. Mr. Speaker, under leave to extend my remarks, I include the following address which I gave this morning before the American Mining Congress at Cincinnati, Ohio:

Mr. Shoemaker, fellow members of the panel, members of the American Mining Congress, and guests, it is a distinct pleasure and I deem it a high privilege to be invited here today to speak to you on the subject Congress and the Coal Industry.

Last week, a Representative from Texas told me that he had read about my scheduled appearance here today. He said: "I am glad to know that the American Mining Congress is meeting in Cincinnati. We have had to listen to so much talk in the Halls of Congress about the coal industry that I was beginning to think that the legislative

branch of our Government was becoming the Mining Congress."

It is true that a considerable amount of time has been devoted to the coal industry in recent sessions of Congress, but certainly no more than the subject warrants. To my way of thinking, the industry's importance and its problems should have been given far more attention on Capitol Hill long before the current crusade got under way. Had such been the case, our subsequent efforts would have taken effect much more quickly.

During the immediate postwar period, the coal business was good and Congress had no notion of the industry's miseries that lay dead ahead. Not until 1949, when production dropped to 447 million tons—as opposed to 599 million tons in the preceding year—did the industry itself evidence any concern. Even the thud created by this downward plunge was not sufficiently shocking to bring about complete unity of forces within the industry. By now foreign residual oil was flowing freely into the Eastern seaboard, and there was an earnest, but somewhat disjointed, effort to remedy the situation through legislation. This effort, of course, proved to be abortive, partially because the advent of the Korean war in the summer of 1950 brought with it increased demand for all fuels. Coal again was called upon to fill the power gap when our country went to war.

Actually, the coal industry probably would have been better off had this artificial stimulus to production not taken place. Both Congress and the industry were lulled into a temporary sense of security while the oil import problem proceeded to get out of hand.

My tenure in office dates back to the fall of 1949. The district which I represent produced about 23 percent of Pennsylvania's total output that year, so quite naturally I was intensely interested in the condition of the coal industry. I might say parenthetically that, while I never worked in the mines it has been my privilege to associate with operators and miners all my life, so I consider I have at least a working knowledge of the industry. I have often discussed industry economics with a number of gentlemen who are members of the American Mining Congress, including Dr. Charles Potter, a friend of many years.

The danger signal was up for the coal industry by the time I became a Member of Congress, but then came Korea and the temporary upturn in demand. Finally in 1952, coal and allied industries became understandingly alarmed when business again went into reverse.

That was the year in which coal-State Members of Congress first took the offensive in order to prevent a serious fuel problem from becoming a national catastrophe. We attacked the oil import program vehemently. We went after the Government for its inequitable fuel-buying policies. We insisted upon a change in attitude of foreign governments which were accepting our handouts and then refusing to buy the products of our mines.

Against the backdrop of a rapidly expanding economy, the industry was in the uniquely unfortunate position of being one important segment of our business enterprise not prospering. As a consequence, it was extremely difficult to secure recognition for the serious problems affecting coal. When we pointed out that thousands of our miners were unemployed because of the oil import program, the general reaction was that they should seek opportunities elsewhere. Some went so far as to say that coal was really a "dying" industry, notwithstanding the fact that America would have to rely heavily upon coal for its rising energy needs in the years ahead.

We who live in coal districts or are otherwise associated with the industry realized the danger inherent in the loss of our skilled workers. We knew that it was not in the public interest to allow mines to close and deteriorate. We recognized the dangerous implications of the disappearance of investment capital for the maintenance and expansion of existing coal properties and for the development of new properties. We knew it, but we could not convince the rest of the Nation of the grave significance of these conditions.

We in Congress thereupon began to put more emphasis upon the coal industry's relationship to national defense. This was the strategy born of necessity. We took somewhat the same course of action that Mustafa Kemal followed at the beginning of this century in Turkey. He was a fervent patriot who as a youth learned that his political views were not acceptable to incumbent government leaders; in fact, he was at one time banished to Damascus for publicly expressing his views. Members of Congress from coal districts escaped that fate, but there were times—such as when more billions of dollars were appropriated for foreign countries while our pleas were being ignored—that we felt we could have done better had we been from Damascus or someplace else outside the United States. Kemal finally decided to abandon politics for a military career. Years later, as the famous Atatürk, he became President of the Turkish Republic when it was established in 1923. Thus he was able to command a tremendous influence in politics and national affairs after all.

The coal industry's economic tables had produced no significant results, so we turned to the mobilization angle. We made it clear that in an emergency there would not be enough steel if there were not enough coal. No steel—no airplanes, tanks, guns, shells, or ships. After many months, this method of approach began to penetrate. In 1954 the Defense Mobilization Director took up the fight, warning that a deteriorating coal industry could represent a real threat to our mobilization base requirements.

Meanwhile, President Eisenhower had appointed a Cabinet committee to make a study of the fuels picture. In February 1955, it issued a report recommending a five-point program for the resuscitation of the coal industry. These recommendations included a long-needed check on excessive oil imports. This provision was made into law through the medium of a national security amendment to the extension of the Trade Agreements Act in 1955. Thus, for the first time in history, international oil companies were put on notice that there was a limit to the amount of foreign oil they could bring into our markets. I might say here that I am not satisfied with the levels decided upon.

The fact is that excessive imports are finally being recognized as a threat to our national security, and a line has been drawn. We have stemmed the tide, and have had an opportunity to reconnoiter. We are finally in the position of being able to try to roll back the tide and erect flood walls in the form of quota limitations.

On February 10 of this year I introduced House Resolution 400, which since has received the unanimous approval of the House of Representatives. Needless to say, I shall be looking forward to recommendations from members of the American Mining Congress. This is one effort in which we are going to need the combined best thinking of coal producers, miners, transporters, and the consumers.

I am also hopeful that Mr. Patchell, the Pennsylvania Railroad research and development executive who preceded me on this platform this morning, will offer his recommendations when our subcommittee hearings

get underway shortly. I shall also look forward to testimony from equipment manufacturers and all other industries and labor groups allied with coal in any way.

Now, I have invited members of this audience to participate in our hearings, yet I have not explained the provisions of House Resolution 400. I assume that most of you are familiar with it, at least to the extent that we in Congress want to learn whether an effective research program for coal might be developed in the same magnitude as those which have been and are currently conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and similar groups.

My resolution provides for investigating such fields of research as coal production, coal transportation, coal distribution, coal utilization, and a general appraisal of all coal technology. The job cut out for us is a big one, and no doubt many new facets will present themselves as our investigations proceed.

Since my resolution passed the House, I have received correspondence and personal calls from university officials, industrial research firms, and from coal people themselves. Let me read one analysis of the situation:

"The coal industry in 1956 is at a stage similar to that of agriculture in 1862, when the Morrill Act established the land-grant college system and the Hatch Act in 1887 which established the agricultural experiment stations . . . much research was needed to correct the problems."

The House Interior and Insular Affairs subcommittee which will carry out the objectives of House Resolution 400 had its first meeting last Thursday. You will be interested to know that hearings will open in Washington on June 4. Let me say that you gentlemen can have every confidence in the Congressmen who will be serving with Chairman EDMONDSON and me on this subcommittee. While I happen to be the only member from East of the Mississippi, all of my colleagues on the subcommittee are from coal-producing districts, and all are highly conscious of the need for a vigorous coal industry.

It is our fervent hope that House Resolution 400 will eventually settle the industry's principal problems. Meanwhile, Congress must not relent in other undertakings necessary to ease coal's inequitable burdens. In addition to the foreign oil problem, such matters as conservation of natural gas and increased depletion allowance for coal are subjects that cannot be laid aside on Capitol Hill.

The Government's policy on development of peacetime uses of atomic energy is one item that must be watched carefully. The time has come to turn off the stream of Treasury dollars that are flowing freely in an attempt to produce—at astronomical costs—the same kind of electricity that coal-fired plants have been turning out for years. The efforts of private utilities in this direction are most welcome, but I object to the Atomic Energy Commission's use of false figures on coal reserves and other spurious devices in the campaign for what could become an atomic TVA. Next will come the request for the Government to underwrite risk insurance necessary for the operation of reactors in populated communities. Such investments are unfair—not only to the coal industry, but also to every other United States taxpayer.

Within the past few weeks, a number of other Members of Congress have risen to challenge the AEC's determined effort to create subsidized atomic power competition for the coal industry. We are hoping that similar support will come to coal's defense with respect to the other problems that are confronting the industry. If you will permit me

to refer once more to foreign oil, I should like to point out that during the current session of Congress an increasing number of Representatives and Senators have come to recognize the danger in the theories of free traders. Congressmen from New England and the South have become much disturbed about excessive imports that are imperiling their home industries. Just before leaving Washington last Friday I talked with a member of the Georgia delegation who was denouncing a bill that would give the State Department even greater authority in the making of tariff concessions. He emphasized that this is a fight which we must wage together, so I reminded him that he was not in our camp in the past when we had bills up to place a quota on oil imports.

"Oh, I realize that I didn't vote for you on those bills," he said. "But actually I have been on your side all along."

We must continue to present a united front and keep our problems before the Nation if we are to continue our progress toward getting more remedial action from unfair policies harmful to coal. The fact is that there is national danger in a mobilization program that does not include a vigorous coal industry capable of accelerating production to meet emergency demands.

According to recent developments, this situation is finally being recognized, yet we must remember back to other periods when upward spirals in production developed an overconfidence that resolved itself into a sense of complacency. The ills brought on by unrealistic Government policies will not cure themselves. They may appear innocuous when the general state of affairs is in good health, but the time may come when they threaten the position of the entire industry. The cure must be undertaken as soon as possible, and with unity of determination I am sure that we can and will restore the coal industry to its rightful place in a growing economy and in America's defense structure.

Decrease in Number of United States Farms and Farmers

EXTENSION OF REMARKS OF

HON. PAUL CUNNINGHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. CUNNINGHAM. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a radio talk by R. K. Bliss, head of the extension service, Iowa State College, Ames, Iowa. His talk is entitled "Decrease in Number of United States Farms and Farmers," and is a very informative one which in a measure shows the great changes taking place in agriculture in the United States.

The address follows:

DECREASE IN NUMBER OF UNITED STATES FARMS AND FARMERS

(Radio talk by R. K. Bliss, April 6, 1956, extension service, Iowa State College)

During the past few months there has been much "viewing with alarm" concerning the decrease in the number of farms in the United States. Those who express this concern apparently do not know that the decrease in number of farms is not something that has developed recently but has been going on for 20 years at about the present rate.

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OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of

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HIGHLIGHTS: Senate committee approved several amendments to farm bill. Sen. Gore criticized cotton export program. Sen. Ellender and Rep. Spence introduced bills to increase CCC borrowing authority.

SENATE

1. FARM PROGRAM. The "Daily Digest" states that the Agriculture and Forestry Committee met in executive session on H. R. 10875, the new farm bill, and approved the following amendments:
 - "(1) deleted provision for inclusion of field crops under the acreage reserve program;
 - "(2) deleted provision for inclusion of grazing lands in the acreage reserve program;
 - "(3) prohibited production of price-support crops in surplus supply on Government farmlands instead of any surplus agricultural commodity;
 - "(4) provided that soybeans and cottonseed would be supported at such level as would allow them to compete on equal terms on the market;
 - "(5) provided that the transitional parity price for the basic commodities would remain the same in 1957 and 1958;
 - "(6) provided a two-price plan for rice for 1957 and 1958, to be established in the discretion of the Secretary of Agriculture;
 - "(7) provided for rice acreage allotments in 1957 and 1958 equal to the 1956 national acreage allotment for rice;
 - "(8) adopted an export sales program for upland cotton;

"(9) provided that acreage reserve program may be established in 1956 as far as practicable;

"(10) provided for price reporting of forestry products;

"(11) provided that national acreage allotment for cotton in 1957 and 1958 would be allocated to the States as the national acreage allotment for cotton was allocated in 1956;

"(12) tentatively agreed to a further amendment that feed grains would be supported at 75.7 percent of parity in 1956, without the requirement that such producers participate in the soil bank; that feed grains be supported in 1957 at 5 percentage points below the level at which corn was supported in the commercial area and that to receive such price support producers must place in the acreage or conservation reserve an acreage of any cropland equal to 15 percent of their farm base acreage for feed grains; that if price support is extended to corn producers not in compliance with their acreage allotment or farm base acreage in 1957 a comparable level of support would be mandatory for feed grain producers who did not comply with their farm base acreage.....

"Committee meets tomorrow to take final action on the feed grain amendment (No. 12 above) to H. R. 10875." p. D450

Sen. Gore criticized the cotton export program and stated that it may be necessary to write into the new farm bill "provisions of law to facilitate the sale of surplus cotton abroad." p. 6949

2. FLOOD INSURANCE. Made S. 3732, to provide insurance against flood damage, its unfinished business. p. 6985

3. FLOOD CONTROL. Passed as reported S. 1358, to authorize modification of the flood-control project for the Missouri River Agricultural Levee Unit 513-512, Neb. p. 6954

Sen. Kennedy inserted a Mass. Legislature resolution urging the establishment of proper flood control and a system of disaster insurance in Mass. p. 6930

4. INSPECTION. Passed without amendment H. R. 6769, to increase the existing limitations on the amount of funds which may be expended for facilities for the enforcement of the customs and immigration laws. p. 6954 This bill is now ready for the President.

5. CLAIMS; SEEDS. Agreed, without amendment, to S. Res. 252 which refers to the U. S. Court of Claims for a review and report H. R. 5285, to pay the Imperial Agricultural Crop. in full for claims against the U. S. for reimbursement of actual expenses incurred as the result of the failure of a crop of kenaf seed obtained from CCC. p. 6954

6. RESEARCH. Received from GSA a report on contracts negotiated for research and development purposes for the period July 1 through Dec. 31, 1955; to Government Operations Committee. p. 6930

7. FOREIGN TRADE. Received a letter from the American Tariff League opposing the enactment of H. R. 5550 relating to the administration of the General Agreement on Tariffs and Trade. p. 6930

8. ELECTRIFICATION. Sen. Carlson inserted a local REA co-op resolution opposing the adoption of the Hoover Commission recommendations on the reorganization of REA. p. 6931

9. FOREIGN AFFAIRS. The Foreign Relations Committee reported with amendments S. 3638, to promote the foreign policy of the U. S. by expanding the Information and

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HIGHLIGHTS: House Committee was granted permission to file report by Fri. midnight on USDA appropriation bill. House conferees on Second Supplemental appropriation bill were granted permission to file report by Fri. midnight. Both Houses received President's message requesting action in effecting Hoover Commission recommendations on budgeting and accounting practices. House Committee reported bill to base penalties on violations of tobacco allotments on a harvested basis. Senate passed flood disaster insurance bill. Sen. Ellender announced Committee was ready to report farm bill.

HOUSE

1. APPROPRIATIONS. Passed with amendment H. R. 10986, the Defense Department appropriation bill for 1957, by a vote of 377 to 0. p. 7125
At the request of Rep. Whitten, the Appropriations Committee was granted permission to file, by Friday midnight, its report on H. R. 11177, the agricultural appropriation bill for 1957. pp. 7165, D462
At the request of Rep. Cannon, the House conferees were authorized to file, by Friday midnight, the conference report on H. R. 10004, the second supplemental appropriations bill. pp. 7165, D462
2. TOBACCO. The Agriculture Committee reported without amendment H. R. 10108, to provide for the determination of penalties for tobacco acreage allotment violations on a harvested basis rather than a marketed basis (H. Rept. 2145). p. 7182
3. BUDGETING; ACCOUNTING. Both Houses received from the President a message urging Congressional cooperation in effecting certain of the Hoover Commission's recommendations on budgeting and accounting procedures (H. Doc. 401); to the Senate Government Operations Committee and the House Appropriations Committee. pp. 7051, 7164

4. RAISINS. Rep. Sisk cited the value and importance of the raisin industry and urged further research in the packaging and utilization of raisins. p. 7165
5. FORESTRY. Rep. Sikes urged greater research by the Forest Service in the problems of the hardwood forests of the South. p. 7167
6. PERSONNEL. Rep. Rogers expressed her opposition to the Bradley Commission's recommendations on veterans' benefits. p. 7166
7. LEGISLATIVE PROGRAM. The "Daily Digest" states that the legislative program for the period May 14-18 is as follows: Mon., District Pay and USDA appropriation bill; Tues. and balance of week, USDA appropriation bill and D. C. transportation system. p. D465
8. ADJOURNED until Mon., May 14. pp. 7165, 7181

SENATE

9. FARM PROGRAM. The "Daily Digest" states that the Agriculture and Forestry Committee, in executive session, "ordered favorably reported with amendments H. R. 10875, Agricultural Act of 1956 (soil bank). In addition to agreements reached on May 9 on provisions of this bill, the committee made additional amendments which would provide price supports for feed grains for the year 1956 at 76 percent of parity, and would make mandatory an acreage reserve program for corn for 1956." p. D459
Majority Leader Johnson announced the bill may be taken up on next Wed., and expressed a hope that the Senate will pass it Wed. or Thurs. p. 7119
Sen. Ellender announced that the Committee is ready to report the bill, and received permission for the Committee to file its report, including minority views, before midnight Fri., May 11. p. 7056
Sens. Byrd and O'Mahoney submitted amendments intended to be proposed to the bill. p. 7055
10. DISASTER INSURANCE. Passed with amendments, by a vote of 61 to 7, S. 3732, to provide for insurance against flood damage. p. 7073, 7087 (For a summary of the provisions of the bill see Digest 72).
11. FOREIGN AFFAIRS. Passed as reported S. 3638, to promote the foreign policy of the U. S. by expanding the Information and Educational Exchange program. p. 7074
12. ROADS. The Public Works Committee reported with amendment H. R. 10660, the road construction bill (S. Rept. 1965); the bill was then referred to the Finance Committee for consideration. p. 7053
13. NOMINATION. The Agriculture and Forestry Committee reported the nomination of Sam H. Bober to be a member of the Farm Credit Board, FCA. p. 7052
14. ECONOMIC REPORT. The Banking and Currency Committee reported with amendments S. 3332, extending the time for filing the report of the Joint Committee on the Economic Report (S. Rept. 1961). p. 7052
15. FORESTRY. The Agriculture and Forestry Committee reported without amendment S. 2967, authorizing the acquisition of additional land for the Superior National Forest, Minn. (S. Rept. 1962). p. 7052

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SENATE

1. FARM PROGRAM. The Agriculture and Forestry Committee reported with amendments H. R. 10875, the farm bill (S. Rept. 1966). The committee report states:

"Except for minor technical or clerical amendments, H. R. 10875, with the committee amendments differs from H. R. 12 as passed by the Congress only in the following respects:

"(1) The provisions of H. R. 12 dealing with price supports for the basic commodities and milk and butterfat, the dual parity formula, and a domestic parity plan for wheat have been omitted from the bill.

"(2) The bill directs the Secretary to carry out an acreage-reserve program for 1956 "to the extent he deems practicable."

"(3) The termination procedure prescribed for the termination of conservation reserve contracts has been extended to acreage reserve contracts.

"(4) Section 105 (b) (sec. 205 (b) of H. R. 12) has been modified to provide affirmatively that acreage-reserve-program compensation for any year (specifically mentioning 1956) shall be paid when compliance with acreage-reduction requirements has been determined. This subsection previously prohibited payment until such compliance has been determined.

"(5) Section 203 has been added to the bill to direct the Commodity Credit Corporation to sell cotton for export at prices not exceeding the prices for which cotton is being offered by other countries, and during the marketing year beginning August 1, 1956, at prices not exceeding the lowest prices accepted under the program announced August 12, 1955. Such quantities would be required to be sold as would reestablish the United States fair share of the world market. The Commodity Credit Corporation now has an export sales program for cotton and this section would require the cotton sold under this program to be priced competitively with that of other countries.

"(6) The 1957 and 1958 national acreage allotments for cotton would be required by section 302 to be apportioned to the States in the same proportion that they shared in the 1956 allotted acreage.

"(7) The provision fixing the minimum national rice-acreage allotment for 1957 at the acreage allotted in 1956 and freezing the States' proportionate shares for 1957 has been transposed from title V to section 304 and extended to the 1958 crop.

"(8) The 51-million-acre base acreage for corn would be made applicable to the 1956 crop, even if there should not be an acreage-reserve program for corn for 1956.

"(9). Section 308 (a) (sec. 408 (a) of H. R. 12) has been modified to permit price support for corn to be made available to producers who do not comply with the requirements of that section as to keeping within their base acreages and devoting land to the soil bank. The level of support to such producers would be such, not in excess of that for producers complying with those requirements, as the Secretary determines will facilitate the effective operation of the price-support program. This change was necessary to permit the Secretary to continue his announced program of price support for corn producers not complying with

their acreage allotments.

"(10) Section 308 (d) (sec. 408 (d) of H. R. 12) has been modified in the following respects:

"(a) Its provisions have been limited to 1956 and 1957, and it would be applicable to 1956 even if there should not be an acreage-reserve program for corn for 1956.

"(b) The level of support for corn in the noncommercial area would be $82\frac{1}{2}$ (instead of 85) percent of parity.

"(c) The level of support for the 1956 crops of grain sorghums, barley, rye, and oats would be 76 percent of parity (the level for 1957 being the same as provided by H. R. 12, 5 points less than the percent of parity applicable to corn in the commercial area).

"(d) Producers of feed grains (corn in the noncommercial area, grain sorghums, barley, rye, and oats) would not be required to keep within their base acreages or devote land to the soil bank to be eligible for the price support provided by the bill for 1956 (and consequently the savings clause to provide lower support for 1956 to those not complying was omitted from the bill).

"(e) To be eligible for the support price specified by the bill for 1957, producers of such feed grains would be required to plant not more than 100 (instead of 85) percent of their feed grain base acreage. (They would still be required to devote an acreage of cropland equal to 15 percent of their base acreage to either the acreage reserve for feed grains or the conservation reserve.)

"(f) The Secretary would be authorized to make price support available in 1957 to producers of such feed grains not meeting the acreage requirements of the bill (such support to be at levels not in excess of those available to producers meeting such requirements). The Secretary would be required to make support available to such producers in 1957 if he makes support available to corn producers not meeting the acreage requirements of the bill for corn. In the latter case, the relationship of the support for producers not in compliance to that for producers in compliance would be the same for each of the feed grains as for corn.

"(11) The forest products price reporting and research provisions of section 602 of the Senate amendment to H. R. 12 (which was dropped in conference) have been incorporated as section 402 of the bill.

"(12) The two-price plan for rice has been made discretionary. It would become effective only if and when the Secretary determines that the initiation of such a program is administratively feasible and in the best interests of rice producers and the United States. It is now too late for such a program to be effectively administered for the 1956 crop. The Secretary is therefore given authority to make it effective for 1957 and 1958 or 1958 and 1959 if at the time of initiating the program he finds the requisite conditions exist. This change made it necessary to change the effective dates of the inventory-adjustment payment, set-aside, and processing and import-tax provisions and to modify the inventory adjustment payment formula.

"(13) The transitional parity price for each of the basic agricultural commodities would be frozen during 1957 and 1958 at 95 percent of old parity. Beginning in 1959 the reduction of 5 percentage points per year would be resumed, if an improved parity formula should not be adopted before that time. Corn, wheat, and peanuts are the only commodities which would be affected by this freeze provision. The bill provides for a study of the parity formula, as did H. R. 12 (sec. 602).

2. TAXATION. H. R. 6143, as passed, which amends the Internal Revenue Codes of 1939 and 1954, provides that (1) the tax imposed on the transportation of property shall not apply to amounts paid for the transportation of poultry

AGRICULTURAL ACT OF 1956

MAY 11, 1956.—Filed under authority of the order of the Senate of MAY 10
(legislative day, MAY 7), 1956, and ordered to be printed

Mr. ELLENDER, from the Committee on Agriculture and Forestry,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H. R. 10875]

The Committee on Agriculture and Forestry, to whom was referred the bill (H. R. 10875) to enact the Agricultural Act of 1956, having considered the same, report thereon with a recommendation that it do pass with amendments.

GENERAL STATEMENT

On January 5, 1955, H. R. 12 was introduced in the House of Representatives. After hearings by the House Committee on Agriculture, it was reported on March 10 and passed on May 5, 1955. The Senate Committee on Agriculture held extensive hearings in Washington and throughout the country during the summer and following the convening of this session of Congress. On January 9, 1956, the President submitted to Congress a number of proposals, which were carefully studied by your committee and by Congress. As a result of these hearings and proposals, S. 3183 was reported by your committee on February 10, 1956, and, after extensive debate which lasted from February 22 to March 19, perfected by the Senate and substituted, by amendment, for the text of H. R. 12 as passed by the House. The conference report on H. R. 12 was submitted to the House on April 6, 1956, following extensive consideration by conferees from both Houses and, on April 11, 1956, was agreed to by the House and Senate. On April 16, 1956, H. R. 12 was vetoed by the President (H. Doc. 380), who objected to certain provisions of H. R. 12. H. R. 10875 contains most of the provisions of H. R. 12,

as passed by the Congress, the provisions objected to by the President having been either eliminated or modified.

DIFFERENCES BETWEEN H. R. 10875 AND H. R. 12

Except for minor technical or clerical amendments, H. R. 10875, with the committee amendments, differs from H. R. 12 as passed by the Congress only in the following respects:

(1) The provisions of H. R. 12 dealing with price supports for the basic commodities and milk and butterfat, the dual parity formula, and a domestic parity plan for wheat have been omitted from the bill.

(2) The bill directs the Secretary to carry out an acreage-reserve program for 1956 "to the extent he deems practicable."

(3) The termination procedure prescribed for the termination of conservation reserve contracts has been extended to acreage reserve contracts.

(4) Section 105 (b) (sec. 205 (b) of H. R. 12) has been modified to provide affirmatively that acreage-reserve-program compensation for any year (specifically mentioning 1956) shall be paid when compliance with acreage-reduction requirements has been determined. This subsection previously prohibited payment until such compliance had been determined.

(5) Section 203 has been added to the bill to direct the Commodity Credit Corporation to sell cotton for export at prices not exceeding the prices for which cotton is being offered by other countries, and during the marketing year beginning August 1, 1956, at prices not exceeding the lowest prices accepted under the program announced August 12, 1955. Such quantities would be required to be sold as would reestablish the United States fair share of the world market. The Commodity Credit Corporation now has an export sales program for cotton and this section would require the cotton sold under this program to be priced competitively with that of other countries.

(6) The 1957 and 1958 national acreage allotments for cotton would be required by section 302 to be apportioned to the States in the same proportion that they shared in the 1956 allotted acreage.

(7) The provision fixing the minimum national rice-acreage allotment for 1957 at the acreage allotted in 1956 and freezing the States' proportionate shares for 1957 has been transposed from title V to section 304 and extended to the 1958 crop.

(8) The 51-million-acre base acreage for corn would be made applicable to the 1956 crop, even if there should not be an acreage-reserve program for corn for 1956.

(9) Section 308 (a) (sec. 408 (a) of H. R. 12) has been modified to permit price support for corn to be made available to producers who do not comply with the requirements of that section as to keeping within their base acreages and devoting land to the soil bank. The level of support to such producers would be such, not in excess of that for producers complying with those requirements, as the Secretary determines will facilitate the effective operation of the price-support program. This change was necessary to permit the Secretary to continue his announced program of price support for corn producers not complying with their acreage allotments.

(10) Section 308 (d) (sec. 408 (d) of H. R. 12) has been modified in the following respects:

(a) Its provisions have been limited to 1956 and 1957, and it would be applicable to 1956 even if there should not be an acreage-reserve program for corn for 1956.

(b) The level of support for corn in the noncommercial area would be 82½ (instead of 85) percent of parity.

(c) The level of support for the 1956 crops of grain sorghums, barley, rye, and oats would be 76 percent of parity (the level for 1957 being the same as provided by H. R. 12, 5 points less than the percent of parity applicable to corn in the commercial area).

(d) Producers of feed grains (corn in the noncommercial area, grain sorghums, barley, rye, and oats) would not be required to keep within their base acreages or devote land to the soil bank to be eligible for the price support provided by the bill for 1956 (and consequently the savings clause to provide lower support for 1956 to those not complying was omitted from the bill).

(e) To be eligible for the support price specified by the bill for 1957, producers of such feed grains would be required to plant not more than 100 (instead of 85) percent of their feed grain base acreage. (They would still be required to devote an acreage of cropland equal to 15 percent of their base acreage to either the acreage reserve for feed grains or the conservation reserve.)

(f) The Secretary would be authorized to make price support available in 1957 to producers of such feed grains not meeting the acreage requirements of the bill (such support to be at levels not in excess of those available to producers meeting such requirements). The Secretary would be required to make support available to such producers in 1957 if he makes support available to corn producers not meeting the acreage requirements of the bill for corn. In the latter case, the relationship of the support for producers not in compliance to that for producers in compliance would be the same for each of the feed grains as for corn.

(11) The forest products price reporting and research provisions of section 602 of the Senate amendment to H. R. 12 (which was dropped in conference) have been incorporated as section 402 of the bill.

(12) The two-price plan for rice has been made discretionary. It would become effective only if and when the Secretary determines that the initiation of such a program is administratively feasible and in the best interests of rice producers and the United States. It is now too late for such a program to be effectively administered for the 1956 crop. The Secretary is therefore given authority to make it effective for 1957 and 1958 or 1958 and 1959 if at the time of initiating the program he finds the requisite conditions exist. This change made it necessary to change the effective dates of the inventory-adjustment payment, set-aside, and processing and import-tax provisions and to modify the inventory adjustment payment formula.

(13) The transitional parity price for each of the basic agricultural commodities would be frozen during 1957 and 1958 at 95 percent of old parity. Beginning in 1959 the reduction of 5 percentage points per year would be resumed, if an improved parity formula should not be adopted before that time. Corn, wheat, and peanuts are the only commodities which would be affected by this freeze provision. The bill provides for a study of the parity formula, as did H. R. 12 (sec. 602).

THE COMMITTEE AMENDMENTS

The committee amendments, in addition to technical and clarifying amendments, would make the following changes in the bill:

(A) The amendments adopted by the House which would have (1) extended the acreage-reserve program to grazing lands and all field crops designated by the Secretary; (2) increased the annual acreage-reserve-program limitation from \$750 million to \$800 million; and (3) extended the prohibition on leasing Government lands for agricultural production to all "agricultural commodities" instead of "price-supported crops" would be eliminated from the bill by the committee amendments. There are no acreage allotments for field crops not specifically designated in the bill or for grazing lands, and acreage-reserve programs for them would consequently present many difficult administrative problems, and it is questionable that effective programs could be developed. The extension of the Government land leasing prohibition to "agricultural commodities" would have cast some doubt on the Government's authority to issue grazing permits on national forest and Taylor Grazing Act lands.

(B) The Secretary is directed to carry out an acreage-reserve program in 1956 "to the extent he deems practicable."

(C) The 51-million-acre base acreage for corn would be applicable in 1956 and price support would be made available to producers of corn in the noncommercial area, grain sorghums, barley, rye, and oats in 1956, even if there were no acreage-reserve programs for corn in 1956. The 1956 support level for grain sorghums, barley, rye, and oats would be 76 percent of parity, and producers of such grains and corn in the noncommercial area would not be required to comply with any acreage restrictions in 1956 to qualify for price support. In 1957 they would be permitted to plant up to their full feed grain base acreage (instead of 85 percent of such base) and still qualify for price support (the requirement for participation in the soil bank, however, not being changed). Price support in 1957 to producers not keeping within their feed grain base acreage or participating in the soil bank would be permitted, and would be required at the level specified in section 308 (d) (1) if price support were made available to corn producers not complying with corn acreage requirements.

(D) The 1956 cotton and rice acreage apportionment among the States would be frozen for 1957 and 1958, and minimum national acreage allotments for rice for 1957 and 1958 would be fixed at the acreage allotted in 1956. The minimum national acreage allotments for cotton for 1957 and 1958 prescribed by the House bill would not be changed.

(E) Section 402, which provides for forest products price reporting and research, has been added to the bill.

(F) Discretionary authority for a two-price plan for rice in 1957 and 1958 or 1958 and 1959 has been included in the bill, together with a redefinition of the "normal yield" for rice, required to facilitate the operation of such a program.

(G) The provision of H. R. 12, requiring support at competitive levels for both cottonseed and soybeans whenever the price of either is supported, has been inserted in the bill as section 601.

(H) The transitional parity price for the basic commodities would be frozen for 1957 and 1958.

A title-by-title analysis of the bill, with the committee amendments follows:

TITLE I—SOIL BANK ACT

*Acreage-reserve program (secs. 103-106).—*The program will be in effect for the 1957, 1958, and 1959 crops and for the 1956 crop to the extent that the Secretary deems practicable. Payments are authorized for reducing acreages of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains (grain sorghums, oats, barley, rye, and corn outside commercial area). The program is voluntary, except that participation in the soil bank is required for price support for corn and, in 1957, for feed grains. To be eligible a producer must reduce below his farm-acreage allotment (or base acreage in the case of corn and feed grains.) The total base acreage for corn will be 51 million acres, and this will be applicable in 1956 in lieu of an acreage allotment, and also in subsequent years if an acreage-reserve program for corn is in effect and if farmers in referendum vote to discontinue acreage allotments and price support as now prescribed by law. In the case of feed grains the base will be the average planted for the 3 years 1953, 1954, and 1955. In apportioning the national feed grain base acreage among States, counties, and farms and administering the feed-grain acreage reserve, the Secretary is expected to establish base acreages and normal yields for all farms only in those areas where he determines that there will be sufficient participation in the program to warrant the administrative details involved. In other areas, he may establish base acreages and normal yields only for those farms for which the farmer requests the establishment of the base and normal yield. The Secretary is expected to use all available administrative checks to eliminate potential overstatement in the reporting of historical data for establishing of the base acreage. Producers are allowed to participate in the 1956 program, even though the 1956 crop is already planted. The overall annual limit on the program is \$750 million per year, with specified limits for each commodity.

*Conservation reserve program (secs. 107-113).—*The Secretary is authorized to enter into contracts with producers for a minimum period of 3 years and a maximum period of 10 years (15 years in the case of tree cover) under which the producer would devote a designated part of his cropland to conserving uses. He would agree not to harvest any crop from the designated acreage and not to pasture it for a specified period except under certain emergency conditions. The Secretary would be authorized to pay a fair share of the costs of establishing the conservation use and, in addition, to make an annual payment to the producer which will provide a fair and reasonable annual return for the land diverted to conservation uses. The overall limit on the program is \$450 million per year.

*General provisions (secs. 115-127).—*As a condition of eligibility for any payment under the soil-bank program, the producer must comply with all acreage allotments or base acreages, except the feed grain base acreage for 1956. Subject to the provisions of section 105 (b), which require in the case of the acreage-reserve program that the Secretary check compliance with the acreage-reduction requirement of the program before making acreage reserve payments for any year, section 116 authorizes payments under the soil-bank program to be made

upon the certificate of the claimant that he has complied with all the requirements for such payments prescribed by the Secretary. Subject to section 105 (b) it is intended that the Secretary shall have authority under the Soil Bank Act to provide for making payments to producers prior to their compliance with all the terms and conditions of the program for the year for which the payment is made. Thus, it would be permissible for the Secretary in contracts entered into under the conservation reserve program for any year to provide that all or a part of the annual payment (provided for in sec. 107 (b) (2)) to which a producer would be entitled for compliance with the conservation reserve program for such year would be made when the producer certifies that the cropland which he has agreed to devote to a conservation use had actually been devoted to such use or that he has actually set aside such cropland for such conservation use and has taken all practicable steps to establish the conservation use on the cropland so set aside. Under section 111, the Secretary is specifically authorized to furnish producers materials and services to assist them in establishing the conservation use provided for in their contracts. It is also intended that the Secretary shall have authority to make cost-sharing payments under section 102 (b) (1) in a similar manner for use by a producer in defraying that part of the cost to be incurred by the producer in establishing the conservation use which the Secretary has agreed to bear. Civil penalties are imposed for violation of the prohibition against cropping or grazing. Funds of the Commodity Credit Corporation may be used for carrying out the program until July 1, 1957.

TITLE II—SURPLUS DISPOSAL

Program of orderly liquidation (sec. 201).—The Secretary is required to submit to Congress within 90 days detailed programs for (1) the disposal of all Commodity Credit Corporation stocks, (2) a food stamp plan or similar program for distribution of future surplus production, and (3) the strategic stockpiling of foodstuffs and other agricultural products, both inside and outside the United States.

In addition, the Commodity Credit Corporation is required to dispose of all stock of agricultural commodities in an orderly manner and the Secretary is to report annually (1) the quantities on hand, (2) the methods and amounts of stocks disposed of, (3) estimates of future disposal, (4) a program for expansion of markets, and (5) recommendations for necessary legislation.

Extra long staple cotton (sec. 202).—Subsection (a) provides that the existing import quota on extra long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall, hereafter, cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{1}{16}$ inches and longer to bring such cotton back within the quota. the quota is 45.7 million pounds, or approximately 95,000 bales. About 16,000 bales of $1\frac{1}{16}$ -inch cotton was imported in 1955. The section also requires that dates for the quota year conform to normal marketing practices. The present quota year is from February 1 to January 31. Cotton stapling $1\frac{1}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. This section will require that appropriate

provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra long staple cotton. These stocks currently total about 97,000 bales.

Export sales program for upland cotton (sec. 203).—This section directs Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to offer its cotton for sale at prices not in excess of prices at which other exporting countries are offering comparable qualities of cotton. It further provides that during the marketing year beginning August 1, 1956, Commodity Credit Corporation shall offer cotton for sale for export at prices not in excess of the minimum prices accepted under the special cotton-export program announced on August 12, 1955. The special cotton-export program provided for the sale of not more than 1 million bales of cotton having a staple length of fifteen-sixteenths of an inch and shorter. The first offers were opened on January 3, 1956, and the sale of the 1 million bales was completed with offers opened on February 28, 1956. The minimum sale price, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents per pound. Minimum acceptable prices for other qualities were also determined on a port basis and by using the premiums and discounts prevailing in the 14 designated spot markets as follows:

Offers opened January 3: August 1955 through November 1955.

Offers opened January 10, 17, 24, and 31: August 1955 through December 1955.

Offers opened February 7, 14, 21, and 28: August 1955 through January 1956.

Agreements limiting imports (sec. 204).—The President is authorized to negotiate agreements with foreign governments in an effort to limit the export to the United States of agricultural commodities or products, including textiles and textile products.

Section 32 funds supplemented (sec. 205).—Section 205 of the bill authorizes an annual appropriation of \$500 million with a 50-percent limitation on the expenditure of such funds with respect to any one commodity, to enable the Secretary of Agriculture to further carry out the provisions of section 32.

There follows a statement of the section 32 funds available for the fiscal year 1956:

Carried forward from 1955.....	\$300, 000, 000
Appropriated (30 percent of customs receipts).....	166, 807, 174
Total available under sec. 32.....	466, 807, 174
Deduct transfer to Interior Department.....	—4, 322, 879
Total available to USDA.....	462, 484, 295

Section 32, enacted in August 1935, appropriates for each fiscal year an amount equal to 30 percent of the previous calendar year's customs receipts for the purpose of encouraging the domestic consumption and exportation of agricultural commodities. The Agricultural Act of 1948 provides that up to \$300 million of unused prior year balances remain available for use.

Section 32, as amended (7 U. S. C. 612c), provides that the amount that may be devoted during any fiscal year to any one agricultural commodity or the products thereof shall not exceed 25 percent of the funds available under this section for such fiscal year and also that the funds "shall be devoted principally" to nonbasic perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended.

Public Law 393, 76th Congress (53 Stat. 1411 and 1412), as amended by Public Law 466, 83d Congress, provides that section 32 funds in an amount equal to 30 percent of customs receipts collected on fishery products shall be transferred to the Secretary of the Interior. Also, Public Law 311 of August 9, 1955 (84th Cong.) authorizes the use of \$15 million to meet commodity program costs in each of the fiscal years 1956 and 1957 for the purchase and donation of wheat flour and cornmeal to needy persons without regard to the requirement relating to the amounts to be devoted to perishables. In addition to these limitations and requirements for section 32 funds, their use is also authorized by section 392 (b) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1392 (b)), for operating expenses and administration of other laws such as the Marketing Agreement Act of 1937.

The use of section 32 funds for program operations varies from year to year, depending upon economic conditions with respect to particular commodities as well as the outlets which may be available for commodities purchased. Based on total funds available under section 32 for fiscal year 1956, the largest amount that can be devoted to commodity program costs for any one commodity or product thereof is \$116,701,793. This would include the direct program costs of purchasing, processing, packaging, transporting, etc. Administrative expenses of the Department in connection with section 32 programs are not included in the calculation of the amount devoted to any one commodity. The largest amount devoted to any one commodity has been in the current fiscal year, when \$105 million or the equivalent of 22.4 percent of the total funds available has been used for commodity program costs for the purchase and donation of pork products and lard. The second largest amount was in 1954, when \$87,129,232, or 18.3 percent, was similarly used for dairy products.

*Transfer of bartered materials to supplemental stockpile (sec. 206).—*This section provides for transfer to the supplemental stockpile established by Public Law 480 of materials acquired by CCC under barter programs, unless these materials were acquired for regular stockpile or other purposes.

Strategic materials acquired through barter would be imported duty free.

The CCC will be reimbursed for materials transferred to the supplemental stockpile by amounts appropriated equal to the value of the transferred materials.

*Surplus Disposal Administrator (sec. 207).—*This section authorizes the Secretary to appoint an Agricultural Surplus Disposal Administrator at a salary of not to exceed \$15,000 per annum.

*Payment of ocean freight (sec. 208).—*This section authorizes payment of ocean-freight charges on commodities donated for foreign relief under Public Law 480 or section 416 of the Agricultural Act of 1949. Limitation on expenditures for foreign relief transfers and other costs are increased from \$300 million to \$500 million.

Commission to recommend legislation providing for increased industrial use of agricultural products (sec. 209).—This section establishes a five-member Commission on Increased Industrial Use of Agricultural Products with duties to prepare and present to Congress its recommendations designed to bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption.

Not to exceed \$150,000 is authorized to be appropriated to carry out its function.

Donation to penal and correctional institutions (sec. 210).—This section authorizes CCC to donate commodities to Federal penal and correctional institutions, and to State correctional institutions for minors.

Federal irrigation, drainage, and flood-control projects (sec. 211).—For 3 years after the enactment of this act, no agricultural commodity determined by the Secretary to be in surplus supply shall receive any crop loan or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

Processing of donated food commodities (sec. 212).—This amends the amended section 416 of the Agricultural Adjustment Act of 1949 by providing an authorization for the CCC to pay the processing costs on donated commodities in order to provide them in a form suitable for home or institutional use.

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of surrender and reapportionment provisions for wheat-acreage allotments (sec. 301).—This extends to the 1956 and 1957 crops of wheat authority for the surrender and reapportionment of wheat-acreage allotments.

Acreage allotments for cotton for 1957 and 1958 (sec. 302).—The national acreage allotment for cotton for 1957 and 1958 will be not less than the 1956 national acreage allotment.

In addition, the apportionment among the States for 1957 and 1958 will be in the same proportion as they shared in 1956. This section would provide minimum State allotments as set out in the following table:

TABLE 1.—Minimum State cotton-acreage allotments for 1957 and 1958 (1956 allotment)

	1956 allotment (minimum for 1957 and 1958)		1956 allotment (minimum for 1957 and 1958)
Alabama.....	1, 025, 141	Missouri.....	378, 055
Arizona.....	343, 640	Nevada.....	2, 324
Arkansas.....	1, 424, 511	New Mexico.....	179, 378
California.....	782, 405	North Carolina.....	483, 932
Florida.....	36, 974	Oklahoma.....	845, 616
Georgia.....	903, 221	South Carolina.....	726, 193
Illinois.....	3, 110	Tennessee.....	563, 491
Kansas.....	29	Texas.....	7, 410, 893
Kentucky.....	7, 799	Virginia.....	17, 114
Louisiana.....	610, 891		
Maryland.....	25	Total.....	17, 391, 304
Mississippi.....	1, 646, 562		

Cotton—Small-farm allotments (sec. 303).—For the years 1957 and 1958 there is provided an additional 100,000 acres to be allotted to States and counties on the basis of their needs for acreage in order to establish minimum farm allotments for cotton (except that Nevada would receive 1,000 acres). It also reduces the small-farm allotment to 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller, and makes the small-farm allotment mandatory in all counties (including those on a history basis). For 1956, the unused allotted acreage in the State may be used for such purpose.

TABLE 2.—*Estimated State allocations of national acreage reserve of 100,000 acres for small farms on basis of estimated needs for additional allotments for minimum allotments pursuant to provisions of H. R. 10875*¹

	Estimated additional acreage required for minimum allotments		Estimated additional acreage required for minimum allotments
Alabama-----	15, 884	Missouri-----	1, 289
Arizona-----	123	Nevada-----	1, 000
Arkansas-----	5, 631	New Mexico-----	293
California-----	582	North Carolina-----	11, 583
Florida-----	1, 949	Oklahoma-----	3, 758
Georgia-----	10, 322	South Carolina-----	7, 876
Illinois-----	53	Tennessee-----	9, 807
Kansas-----	0	Texas-----	11, 613
Kentucky-----	178	Virginia-----	1, 069
Louisiana-----	4, 835		
Maryland-----	0	United States-----	100, 000
Mississippi-----	12, 155		

¹ Additional allotments used in apportioning the proposed 100,000-acre national reserve for small farms to States were developed in the spring of 1955 in connection with estimating additional needs for small-farm minimum allotments for the 1956 program year. Such study required certain assumptions to be made regarding history acreages for farms and counties for 1955 and allotments for counties for 1956. The actual and relative needs for and between States for 1957 may vary substantially from the estimated needs for 1956 because of changes in base years and to a lesser extent the assumed data used in the study differed from actual county and farm data. Therefore, changes in State allocations from those shown in this table could be substantial.

Minimum acreage allotments for rice (sec. 304).—Section 304 would amend section 353 of the Agricultural Adjustment Act of 1938, as amended, to provide minimum State rice acreage allotments for 1956 equal to 85 percent of the final allotment established for 1955, would provide minimum national and State allotments for 1957 and 1958 equal to the final 1956 allotments, and freeze the proportionate share of each State in the national allotment. Any acreage apportioned to farms in the State from the national reserve acreage in 1956 would be included in determining the minimum allotment. The final allotment for 1955 would include the State allotment originally determined plus the increased acreages allotted in the State through legislation enacted after State allotments were originally determined.

In States having county allotments the increase in 1956 State allotments would be apportioned among counties on the same basis as the State allotment had theretofore been apportioned among counties, but without regard to adjustments for trends in acreage.

The additional acreage apportioned to each State in 1956 by this section is shown in the last column of the following table:

TABLE 3.—*Rice: Additional allotment acreage that would be apportioned to State under this section*

State	Total rice acreage apportioned to State for 1955	85 percent of total rice acreage apportioned to State for 1955	Total rice acreage apportioned to State for 1956	Additional acreage required for 1956 to provide allotment equal to 85 percent of final allotment for 1955
Arkansas.....	453,850	385,772	399,084	0
California.....	352,729	299,820	297,174	2,646
Louisiana.....	558,934	475,094	465,773	9,321
Texas.....	496,929	422,390	421,360	1,030
Mississippi.....	54,921	46,683	46,267	416
Arizona.....	269	229	227	2
Florida.....	1,126	957	949	8
Illinois.....	24	20	20	0
Missouri.....	5,388	4,580	4,557	23
North Carolina.....	34	29	29	0
Oklahoma.....	175	149	147	2
South Carolina.....	3,350	2,847	2,783	64
Tennessee.....	605	514	517	0
United States total.....	1,928,334	1,639,084	1,638,887	13,512

TABLE 4.—Rice: Indicated 1957 and 1958 State acreage allotments under H. R. 10875 as compared with indicated 1957 State allotments under the present law and 1956 State allotments now in effect

State	1956 State acreage allotment	Additional acreage apportioned to State from 1956 national reserve	Total acreage apportioned to State for 1956	Total acreage apportioned to State for 1956, adjusted for increase under this section	Indicated 1957 State allotment under present law ¹	Indicated 1957 and 1958 State allotments under this section
Arkansas.....	399,084	0	399,084	399,084	402,852	399,084
California.....	297,100	74	297,174	299,820	296,691	299,820
Louisiana.....	460,704	5,069	465,773	475,094	463,416	475,094
Texas.....	421,360	0	421,360	422,390	419,479	422,390
Mississippi.....	41,422	4,845	46,267	46,683	42,555	46,683
Arizona.....	10	217	227	229	-----	229
Florida.....	887	62	949	957	888	957
Illinois.....	11	9	20	20	14	20
Missouri.....	3,673	884	4,557	4,580	4,005	4,580
North Carolina.....	27	2	29	29	23	29
Oklahoma.....	38	109	147	149	63	149
South Carolina.....	1,958	825	2,783	2,847	2,040	2,847
Tennessee.....	517	0	517	517	502	517
Total, United States.....	1,626,791	12,096	1,638,887	1,652,399	1,632,528	1,652,399
National reserve.....	12,293	(197)	(197)	(197)	46,556	(197)
National allotment.....	1,639,084	12,293	1,639,084	1,652,596	1,639,084	1,652,596

¹ Assuming the national acreage allotment to be the same as in effect for 1956 and the 1956 planted and diverted acreage of rice to be the same as determined for 1955.

² To be apportioned among the minor rice-producing States receiving inadequate State or county allotments such as Mississippi, Missouri, South Carolina, etc.

Increase in peanut marketing penalties (sec. 305).—This increases the marketing penalty for peanuts from 50 to 75 percent of support price.

Collection of peanut-marketing penalties (sec. 306).—This section provides for 6 percent interest on peanut-marketing penalties and for a lien to secure the penalties.

Preservation of unused acreage allotments (sec. 307).—During the period 1956 through 1959 a producer will be permitted to preserve for future years the acreage allotment history of his unused acreage allotments.

However, this section will not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted.

Price support and acreage requirements for corn and other feed grains (sec. 308).—Whenever base acreages are in effect for corn, a corn producer, to be eligible for price support, would be required to keep within his farm base acreage and devote an acreage equal to 15 percent of such base acreage to either the acreage reserve for corn or the conservation reserve. However, the Secretary would be authorized to make price support available to producers not meeting these requirements at such level not in excess of that available to producers who do meet such requirements as he determines will facilitate the operation of the program. The corn-acreage allotment (43,281,000 acres) for 1956 would not be effective, being replaced as provided by section 103 (b) (1) of the bill by a base acreage of 51 million acres.

If two-thirds of the corn producers voting in a referendum to be held not later than December 15, 1956, favor substitution of discretionary price support without acreage allotments for the price support now provided by law with acreage allotments, such substitution would be made. In such case the corn base acreage of 51 million acres would be effective for 1957, 1958, and 1959, whenever an acreage reserve program was in effect.

For 1956 and, if an acreage reserve program is in effect for corn, for 1957 corn outside the commercial area would be supported at 82½ percent of the price-support level in the commercial area. Grain sorghums, barley, rye, and oats would receive price support at 76 percent of parity in 1956 without regard to whether (1) producers complied with their feed grain base acreage, if any, or participated in the soil bank or (2) an acreage-reserve program is made effective for corn in 1956. The committee felt that this support would maintain a fair competitive relationship with corn for 1956 in view of the price support being made available to noncooperators for corn. The support price for corn which has been announced for noncooperators is equal to 75.7 percent of the modernized parity price for corn, and this level was rounded off to 76 percent in the case of feed grains.

Grain sorghums, barley, rye, and oats would be supported in 1957 at 5 percentage points below the percentage of parity announced for corn in the commercial area, but in order to obtain support in 1957 feed-grain producers (including producers of corn outside the commercial area) would be required to keep within their feed grain base acreages (rather than 85 percent of such base acreages as provided by H. R. 12 or H. R. 10875 as passed by the House) and devote an acreage equal to 15 percent of such base acreage to either the acreage reserve for feed grains or the conservation reserve.

It is the purpose of this section to provide a fair competitive relationship between corn in the commercial area and other feed grains, including corn outside the commercial area. The committee amendments to this section have been designed to bring the price support levels and requirements for the feed grains in line with those for corn. Pursuant to this objective, the committee amendments to this section provide that if price support is made available in 1957 to corn producers not meeting acreage and soil-bank participation requirements, price support must be made available to feed-grain producers not complying with acreage and soil-bank participation requirements. The support prices available to complying and noncomplying feed-grain producers would be required to bear the same relationship to each other that support prices available to complying and noncomplying corn producers bear to each other. If price support is not made available in 1957 to noncomplying corn producers, the Secretary will still have authority to make price support available to noncomplying feed grain producers.

This section would increase feed grain price supports for 1956 as follows:

	Unit	Announced price support	Price sup- port under H. R. 10875
Rye.....	Bushel.....	1.16	1.27
Oats.....	do.....	.59	.65
Barley.....	do.....	.93	1.02
Grain sorghums.....	Hundredweight.....	1.80	1.97
Corn (noncommercial corn area).....	Bushel.....	1.21	1.33

TITLE IV—FORESTRY PROVISIONS

Tree planting and reforestation (sec. 401).—This section provides for assistance to States for tree planting and reforestation. The objective of this section is to step up nationwide the present rate of reforestation on all land in need of such planting irrespective of ownership. This would be accomplished through a cooperative plan of action between the individual States and the Secretary of Agriculture. The plan would originate in the States through the State foresters or equivalent State officials and after approval by the Secretary would be put into effect by a State agency. The major provisions of this section would:

(1) Establish a policy of Congress that the Secretary of Agriculture should assist the States in undertaking needed programs of tree planting.

(2) Permit a State to draw up a plan of reforestation that would further this purpose and submit such plan to the Secretary of Agriculture for his consideration and approval.

(3) When the Secretary has approved the plan, authorize and direct him to assist the State in carrying out the plan, which assistance may include furnishing advice, technical assistance, and financial contributions up to an amount equal to the State expenditure for the same purpose during the same fiscal year.

(4) Require the Secretary to obtain cooperation and assistance of other Federal agencies and the appropriate State foresters in the approval and carrying out of the plan when it includes forest lands under such other Federal agencies' jurisdiction.

The committee believes that more money should be made available for tree planting and recommends that the Appropriations Committees consider providing \$50 million to carry out the provisions of this section.

Forest products (sec. 402).—This section provided for price reporting and research with respect to forest products. This section would direct the Secretary to: (1) establish a price reporting service for basic forest products such as standing timber, sawlogs, and pulpwood; (2) conduct and stimulate research aimed at developing the efficiency of marketing forest products; and (3) study price trends and relationships for basic forest products and within 2 years report thereon to the Congress.

Discretionary two-price plan for rice (sec. 501).—Section 501 authorizes a 2-price plan for rice of the 1957 and 1958 or 1958 and 1959 crops, if the Secretary determines that such a program is feasible and in the best interest of rice producers and the United States. A primary market quota for rice is to be determined and proclaimed by the Secretary of Agriculture for each marketing year for which the program would be effective. This primary market quota is to be determined on the basis of the quantity of processed rice (expressed in terms of hundredweights of rough rice) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba during the marketing year, taking into consideration the historical consumption of United States rice in these markets and any expected increase in consumption. In determining the primary quota, rough rice used for feed or seed would be excluded, since it is not intended that the primary quota would include rice which is not milled. For 1957, the primary market quota would be apportioned among the States on the basis of the average yield per acre of rice in each State during 1955 and 1956, multiplied by the acreage allotment for the State. Each State quota is to be apportioned among farms in the State on the basis of the acreage allotment established for each farm, multiplied by the normal yield per acre for the farm.

Price support will be made available by Commodity Credit Corporation to cooperators through loans, purchases, or other operations at such level as the Secretary of Agriculture determines will not discourage or prevent exportation of rice produced in the United States, but such level is not to be less than 50 percent nor more than 90 percent of the parity price.

Certificates will be issued by the Secretary of Agriculture to cooperators, each marketing year for farms having primary market quotas. Such certificates will be issued for a quantity of rice equal to the primary market quota for the farm but not more than the normal yield for the acreage planted to rice on the farm. The value of each certificate will be equal to the difference between 90 percent of the parity price of rice as of the beginning of the marketing year and the level of price support for rice for such marketing year (to be calculated to the nearest cent) multiplied by the quantity of rice for which the certificate is issued. The landlord and his tenants or sharecroppers will share in the certificates in the same proportion as they share in the rice produced on the farm or the proceeds therefrom. Commodity Credit Corporation will redeem at its value any certificate not used to cover the processing or importation of rice.

Beginning with the first marketing year for which the program is in effect, each person processing rough rice in the United States (excluding Puerto Rican or Hawaiian rice processed in Puerto Rico or Hawaii) will be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Each person importing processed rice into the United States on or after the beginning of such marketing year will also be required to acquire certificates covering the rough rice equivalent of such processed rice. Such certificates may be acquired from producers by the processor or importer, or he may purchase certificates from Commodity Credit Corporation. Upon the exportation to any country other than Cuba of processed rice with respect to which certificates were acquired, Commodity Credit Corporation will pay the exporter an amount equal to the value of the certificates for the rough rice equivalent to the processed rice.

The provisions of this section will not be applicable to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed 3 acres or to rice grown in Puerto Rico or Hawaii.

Inventory adjustment payments.—In order to facilitate the transition to the two-price plan, inventory adjustment payments will be made to all persons owning rough rice located in the continental United States as of the beginning of the first marketing year for which the program is effective, except that payments will not be made with respect to the rice normally marketed in such year, imported rice, or rice acquired from Commodity Credit Corporation. Such payments will be in amounts equal to the difference between 90 percent of the parity price of rice as of the beginning of such marketing year and the average price paid producers in the preceding marketing year multiplied by the quantities of such rough rice. An appropriation to reimburse Commodity Credit Corporation for such payments is authorized.

Transfer of rice to the set-aside.—The Secretary is given discretionary authority to transfer to the commodity set-aside, established pursuant to section 101 of the Agricultural Act of 1954, all rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the first marketing year for which the program is made effective, not exceeding 20 million hundred-weight of rough rice or its equivalent in processed rice.

The proportion of United States rice used for domestic consumption and export is shown by the following table:

TABLE 5.—*Rice: Percentage, domestic consumption and exports (in rough rice equivalent) is of total production during the marketing years 1939-40 through 1955-56*

Marketing year	Production ¹	Domestic consumption		Exports	
		Total	Percent of production	Total	Percent of production
(1)	(2)	(3)	(4)	(5)	(6)
1939-40	24,328	20,046	82.4	4,484	18.4
1940-41	24,495	21,138	86.3	5,651	23.1
1941-42	23,095	19,571	84.7	6,552	28.4
1942-43	29,082	20,266	69.7	6,961	23.9
1943-44	29,264	21,316	72.8	7,069	24.2
1944-45	30,974	20,001	64.6	10,201	32.9
1945-46	30,668	19,613	64.0	11,469	37.4
1946-47	32,497	20,162	62.0	12,291	37.8
1947-48	35,217	22,037	62.6	13,055	37.1
1948-49	38,275	22,092	57.7	14,378	37.6
1949-50	40,784	23,423	57.4	16,224	39.8
1950-51	38,757	25,693	66.3	13,167	34.0
1951-52	45,853	24,121	52.6	24,058	52.5
1952-53	48,260	25,121	52.1	25,122	52.1
1953-54	52,761	25,764	48.8	22,708	43.0
1954-55	64,514	27,839	43.2	14,385	22.3
1955-56 ²	53,617	27,917	52.1	23,000	42.9

¹ Production for the marketing years 1949-50 through 1955-56 includes estimated production in the minor rice-producing States.

² Preliminary.

Normal yield for rice (sec. 502).—The apportionment of the primary quota under the 2-price system for rice proposed by the bill requires the determination of farm normal yields. Determination of such yields has not been made in recent years, and the formula now in the law for determination of such yields is cumbersome and difficult because it would require the appraisal of yields for each individual year of the 5-year period instead of permitting appraisal of normal yield (average yield for the 5-year period).

This section would correct this situation and also provide some additional needed improvements in the normal yield formula. This amendment would—

(1) Provide for a separate computation of the county normal yield and farm normal yield;

(2) Permit each county normal yield to be computed on the basis of actual or appraised annual yields, with adjustments for abnormal weather conditions and trends in yields, and without subjecting county normal yields to check against the State normal yield;

(3) Permit appraisal of the farm normal yields in lieu of appraisal of farm annual yields, as now required;

(4) Provide for adjustment of farm normal yields for abnormal weather conditions and for trends in yields; and

(5) Provide for adjustment of county and farm normal yields to eliminate the effect of excessively low or high yields resulting from natural causes.

This would provide a more equitable method of determining farm normal yields, and eliminate the administrative expense necessary to appraise farm annual average yields.

TITLE VI—MISCELLANEOUS

Price supports—Cottonseed and soybeans (sec. 601).—Section 601 requires the prices of both cottonseed and soybeans to be supported whenever the price of either is supported and the level of support for each to be such as to permit them to compete on equal terms in the market.

Transitional parity for basic commodities frozen during 1957 and 1958 (sec. 602).—This section would freeze the transitional parity prices of the basic commodities during 1957 and 1958 at the 1956 level of 95 percent of their old parity prices. If a better formula were not developed prior to 1959, the transitional parity prices of these commodities would drop in 1959 to 90 percent of their old parity prices and would continue to drop 5 percentage points each year thereafter. However, this section directs the Secretary to make a thorough study of possible methods of improving the parity formula, and it is hoped that a more equitable and realistic formula can be worked out during the freeze period. The only commodities affected by the freeze would be wheat, corn, and peanuts. The old, transitional, and new parity prices for these commodities are shown by the following table:

TABLE 6.—*Old, transitional, and new parity prices for wheat, corn, and peanuts, Apr. 15, 1956*

	Unit	Old	Transitional	New
Wheat.....	Bushel.....	\$2.52	\$2.39	\$2.22
Corn.....	do.....	1.83	1.74	1.66
Peanuts.....	Pound.....	.137	.130	.115

The effect of this section upon the parity prices of these commodities is illustrated in the following table:

TABLE 7.—*Comparison of effective parity prices for 1957 and 1958 under H. R. 10875 and existing law*

	1957	1958
Wheat per bushel:		
H. R. 10875.....	\$2.39	\$2.39
Existing law.....	2.27	2.22
Difference.....	.12	.17
Corn per bushel:		
H. R. 10875.....	1.74	1.74
Existing law.....	1.66	1.66
Difference.....	.08	.08
Peanuts per pound:		
H. R. 10875.....	.130	.130
Existing law.....	.123	.116
Difference.....	.007	.014

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE
ACT OF 1954

* * * * *

TITLE I—SALES FOR FOREIGN CURRENCY

* * * * *

SEC. 103. (a) For the purpose of making payment to the Commodity Credit Corporation to the extent the Commodity Credit Corporation is not reimbursed under section 105 for commodities disposed of and costs incurred under titles I and II of this Act, there are hereby authorized to be appropriated such sums as are equal to (1) the Corporation's investment in commodities made available for export under this title and title II of this Act, including processing, packaging, transportation, and handling costs, [and] (2) all costs incurred by the Corporation in making funds available to finance the exportation of surplus agricultural commodities pursuant to this title *and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended.* Any funds or other assets available to the Commodity Credit Corporation may be used in advance of such appropriation or payments, for carrying out the purposes of this Act.

* * * * *

TITLE II—FAMINE RELIEF AND OTHER ASSISTANCE

SEC. 201. In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent relief requirements, the Commodity Credit Corporation shall make available to the President out of its stocks such surplus agricultural commodities (as defined in section 106 of title I) [f. o. b. vessels in United States ports,] as he may request, for transfer (1) to any nation friendly to the United States in order to meet famine or other urgent relief requirements of such nation, and (2) to friendly but needy populations without regard to the friendliness of their government.

* * * * *

SEC. 203, Not more than [\$300,000,000] *\$500,000,000* (including the Corporation's investment in [the] *such* commodities) shall be expended for all [transfers, including delivery on board vessels in United States ports, under this title.] *such transfers and for other costs authorized by this title.* The President may make such transfers through such agencies including intergovernmental organizations, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary relief agencies

to the extent practicable. *Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President.*

AGRICULTURAL ACT OF 1949, AS AMENDED

* * * * *

TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

* * * * *

SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.

* * * * *

TITLE IV—MISCELLANEOUS

* * * * *

SEC. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served; and (4) to donate any such food commodities in excess of anticipated disposition under (1), (2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons outside the United States. In the case of (3) and (4) above the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary

may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3) and (4) above. The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for use outside the United States. *In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible.* For the purpose of this section the terms "State" and "United States" include the District of Columbia and any Territory or possession of the United States.

AGRICULTURAL ADJUSTMENT ACT OF 1938

TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, [AND] MARKETING QUOTAS, AND MARKETING CERTIFICATES

SEC. 301. (a) (1) * * *

* * * * *

(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1950, as such transitional parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

(i) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948, less

(ii) 5 per centum of the parity price so determined multiplied by the number of full calendar years (*not counting 1956 or 1957 in the case of basic agricultural commodities*) which, as of such date, have elapsed after January 1, 1949, in the case of nonbasic agricultural commodities, and after January 1, 1955, in the case of the basic agricultural commodities.

* * * * *

(b) (13) * * *

* * * * *

(D) "Normal yield" [per acre of rice for any land planted to rice in any year shall be the average yield per acre thereof during the five calendar years immediately preceding the calendar year for which such normal yield is determined. If, for any reason, there is no actual yield or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with the regulations of the Secretary, shall be used. If the average of the normal yields for all lands planted to rice in any year in the State (weighted by the acreage allotments therein), exceeds the average yield per acre

for the State during the period used in determining normal yields, the normal yields for such lands in the State shall be reduced pro rata so that the average of such normal yields shall not exceed such State average yield.】 for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

(E) "Normal yield" for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields, If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre.

[(e)] (g) * * *

* * * * *

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 334. (a) * * *

* * * * *

(f) Any part of any [1955] 1955, 1956, or 1957 farm wheat acreage allotment on which wheat will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of wheat tillable acres, crop rotation practices, type of soil, and topography. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (c) of this section. Any allotment transferred under this provision shall be regarded for the purposes of subsection (c) of this section as having been planted on the farm from which transferred rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for

an allotment as having wheat planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any [1955] 1955, 1956, or 1957 farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this subsection, and planted shall be credited to the State and county in determining future acreage allotments.

* * * * *

NATIONAL MARKETING QUOTA

SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the number of bales of cotton (standard bales of five hundred pounds gross weight) adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of cotton. The national marketing quota for any year shall be not less than ten million bales or one million bales less than the estimated domestic consumption plus exports of cotton for the marketing year ending in the calendar year in which such quota is proclaimed, whichever is smaller: *Provided*, That the national marketing quota for 1950 shall be not less than the number of bales required to provide a national acreage allotment of twenty-one million acres. Such proclamation shall be made not later than October 15 of the calendar year in which such determination is made. *Notwithstanding the foregoing provisions of this section and the provisions of section 344, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.*

ACREAGE ALLOTMENTS

SEC. 344. * * *

* * * * *

(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period: *Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing

minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1).

* * * * *

(e) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (c), and (d) of this section: *Provided*, That the State committee may reserve not to exceed 10 per centum of its State acreage allotment (15 per centum if the State's 1948 planted acreage was in excess of one million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms, or to correct inequities in farm allotments and to prevent hardship: *Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).

(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, Seventy-ninth Congress) in any one of the three years immediately preceding the year for which such allotment is determined on the following basis:

(1) **[There]** *Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) [five] four acres; or (B) the highest number of acres planted [(or regarded as planted under Public Law 12, Seventy-ninth Congress)] to cotton in any year of such three-year period.*

(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so that the allotment to each farm under this paragraph together with the amount

of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however,* That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, Seventy-ninth Congress) to cotton during any of the preceding three years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, 79th Congress) in any such year.

(3) The county committee may reserve not in excess of 15 per centum of the county allotment * * * which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms, or in making adjustments in farm acreage allotments to correct inequities and to prevent hardships: *Provided,* That not less than 20 per centum of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f) (1) (B)), if any, to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection.

* * * * *

(6) Notwithstanding the [foregoing] provisions of *paragraph (2)* of this subsection [except paragraph (3)], if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the *remainder of the county acreage allotment* [less the acreage reserved under paragraph (3) of this subsection,] (*after making allotments as provided in paragraph (1) of this subsection*) shall be [apportioned] allotted to farms [on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the acreage planted to cotton on the farm during such three-year period, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided,* That the county committee may in its discretion (A) apportion such county allotment

by first establishing minimum allotments in accordance with paragraph (1) of this subsection and by allotting the remaining acreage to farms other than those receiving an allotment under paragraph (1) (B) in accordance with the foregoing provisions of this paragraph and (B) 1, other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: Provided further, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein. If the county acreage allotment is apportioned among the farms of the county in accordance with the provisions of this paragraph, the acreage reserved under paragraph (3) of this subsection may be used to make adjustments so as to establish allotments which are fair and reasonable to farms receiving allotments under this paragraph in relation to the factors set forth in paragraph (3).*

* * * * *

SEC. 353. * * *

(c) Notwithstanding any other provisions of this Act—

* * * * *

(5) *Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.*

(6) *The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.*

* * * * *

MARKETING PENALTIES

SEC. 359. (a) The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to [50 per centum of the basic rate of the loan (calculated to the nearest tenth of a cent) for farm marketing quota peanuts for the marketing year August 1–July 31] *75 per centum of the support price for peanuts for the marketing year (August 1–July 31)*. Such penalty shall be paid by the person who buys or otherwise acquires the peanuts from the producer, or, if the peanuts are marketed by the producer through an agent, the penalty shall be paid by such agent, and such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer. The Secretary may require collection of the penalty upon a portion of each lot of peanuts marketed from the farm equal to the proportion which the acreage of peanuts in excess of the farm-acreage allotment is of the total acreage of peanuts on the farm. If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States and such amounts as are determined, in accordance with regulations prescribed by the Secretary, to be penalties incurred shall be transferred to the general fund of the Treasury of the United States. Amounts collected in excess of determined penalties shall be paid to such producers as the Secretary determines, in accordance with regulations prescribed by him, bore the burden of the payment of the amount collected. Such special account shall be administered by the Secretary and the basis for, the amount of, and the producer entitled to receive a payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive. Peanuts produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins. If any producer falsely identifies or fails to account for the disposition of any peanuts, an amount of peanuts equal to the normal yield of the number of acres harvested in excess of the farm acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. If any amount of peanuts produced on one farm is falsely identified by a representation that such peanuts were produced on another farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quotas, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of peanuts is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such peanuts are produced shall be reduced by a percentage similarly computed. Notwithstanding any

other provisions of this title, no refund of any penalty shall be made because of peanuts kept on the farm for seed or for home consumption.

(b) The provisions of this part shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less.

(c) The word "peanuts" for the purposes of this Act shall mean all peanuts produced, excluding any peanuts which it is established by the producer or otherwise, in accordance with regulations of the Secretary, were not picked or threshed either before or after marketing from the farm.

(d) *The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.*

(e) *Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States.*

* * * * *

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section.

* * * * *

SUBTITLE D—RICE CERTIFICATES

LEGISLATIVE FINDINGS

SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice, at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

EFFECTIVE DATE AND TERMINATION

SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

RICE PRIMARY MARKET QUOTA

SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

APPORTIONMENT OF PRIMARY MARKET QUOTA

SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

REVIEW OF PRIMARY MARKET QUOTA

SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

PRICE SUPPORT

SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which

this section is applicable, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

CERTIFICATES

SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

INVENTORY ADJUSTMENT PAYMENTS

SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): Provided, however, That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

RICE SET-ASIDE

SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding twenty million hundred-

weight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

EXEMPTIONS

SEC. 380j. The provisions of this subtitle shall not apply to non-irrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

PROCESSING RESTRICTIONS

SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

IMPORT RESTRICTIONS

SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

REGULATIONS

SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

CIVIL PENALTIES

SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

REPORTS AND RECORDS

SEC. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

DEFINITIONS

SEC. 380p. For the purposes of this subtitle—

(a) "cooperator" shall have the same meaning as under the Agricultural Act of 1949, as amended.

(b) "processing of rough rice" means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

(c) "procossed rice" means any rice from which the husk or hull has been removed and includes, but is not limited to—

- (1) whole grain rice,*
- (2) second head milled rice,*
- (3) screenings milled rice,*
- (4) brewers milled rice,*
- (5) undermilled rice or unpolished rice,*
- (6) brown rice,*
- (7) converted rice, malckized rice or parboiled rice, and*
- (8) vitaminized rice or enriched rice.*

(d) "United States" means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

(e) "exporter" means the consignor named in the bill of lading under which the processed rice is exported: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

(f) "rough rice equivalent" means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

(g) "import" means to enter, or withdraw from warehouse, for consumption.

SUBTITLE [D] E—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

MINORITY VIEWS

On April 16, 1956, the President of the United States returned to the Congress without his approval, H. R. 12, designated as the "Agricultural Act of 1956."

In so doing, he pointed out that "the problem is price-depressing surpluses" and that "H. R. 12 would not correct this situation. It would encourage more surpluses."

He enumerated four specific objections to H. R. 12, among which was the following:

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into Government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock, and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

He invited Congress to pass a soil bank act this year to be put into operation before fall seeding for next year's crops and further stated, "I am ready to sign a sound soil bank act as soon as Congress sends it to me."

The majority of the Senate Committee on Agriculture and Forestry on May 10, 1956, approved H. R. 10875 with amendments which contains not only the soil bank but specific provisions for mandatory price support of feed grains.

The bill the President vetoed provided for (1) raising price supports for corn outside the commercial corn producing area from 75 to 85 percent of the level for which corn is supported inside the commercial area; (2) initiating mandatory price supports on grain sorghums, barley, rye, and oats at 5 parity percentage points less than corn is supported inside the commercial corn area.

The bill now before the Senate, H. R. 10875, provides for 1956 and 1957 (1) raising price supports for noncommercial corn to 82½ percent of commercial and (2) initiating mandatory supports on grain sorghums, barley, rye, and oats much the same as in H. R. 12 except that in 1956 the support level would be raised from 70 to 76 percent of parity and for 1957 to 5 parity points less than commercial area corn.

Mandatory price supports for feed grains would have the following adverse effects:

1. *Mandatory controls over farmers would be greatly increased*

One hundred million acres would be added to the 170 million acres now covered by mandatory price supports.

2. Prices of feeder livestock would be reduced

In deciding how much they can pay for feeder cattle, Grain Belt men figure the probable price of the finished animal and deduct the cost of feed. The higher the price of feed in the Grain Belt, the lower the price of feeder cattle on the western range.

3. It is now too late to put this feed grain program into operation for 1956 crops

Price support on feed grains has not hitherto been mandatory, so acreage history available in the county offices is limited. By the time the necessary data could be assembled, much of the oats, barley, and rye would be harvested. For sorghum, there would have to be an extensive plow-up program. Misunderstandings would be widespread.

4. After 1956, those who do not adjust their acreage would receive no price support

A certain number might comply and receive price support, while others would stay out of the program, increase their acreage, and take the free market price. The program is subject to much the same difficulties as have been experienced by the corn program.

5. Livestock men would be further encouraged to shift away from grains toward more forage

The result would be, over time, to speed up the shift toward greater reliance on grasses and legumes which means the loss of part of the feed markets.

6. Dairymen and poultrymen who buy feed would be hurt by higher costs

Much concern about this point has already been expressed by farmers in feed-deficit areas. Whatever might be added to the farm income of one area would be subtracted to an expanded degree from others.

7. Livestock, dairy, and poultry farmers are being grossly discriminated against

Many millions of acres taken out of wheat and cotton have been put into feed grains in the last few years. The wheat and cotton farmers who took these acres out of these crops received high price supports. This has not solved the problem. The production of these acres has been dumped into the feed grain market. The Department of Agriculture estimates that feed grains equivalent to 800 million bushels of corn by weight were produced in 1954 and 1955 on land taken out of so-called controlled crops. Many of these grain producers have gone into livestock, dairy, and poultry production and have helped to depress the livestock, dairy and poultry markets. Now it is proposed to raise feed grain prices for these favored farmers.

The livestock and poultry producers who have steadfastly maintained their self-reliance and opposed price supports are appalled at this injustice. It could not be more unfair if it had been specifically designed to punish them for refusing to beg the politically powerful for price supports. The Government should be thankful that livestock and poultry producers are not seeking price supports. Their self-reliance should not be penalized by Government shifting to them problems created by producers of price supported crops.

Why should livestock, dairy, and poultry producers be forced by the Government to pay high artificial feed costs?

Why should these producers pay higher taxes for programs that merely shift burdens from the backs of other producers to themselves?

Why should they pay higher costs for production, goods and services that have been increased by hidden taxes for the payment of benefits to other producers?

The very least that the Federal Government can do is to refrain from penalizing those who seek nothing from the Government except protection of the opportunity to earn a sound, honest living.

Much is made of the "stability" brought to agriculture by many of these programs. The truth is that such a program as herein proposed for feed grains has the effect of penalizing livestock and poultry producers for the benefit of other producers and thereby unstabilizing their markets. As a matter of fact, this action will be demoralizing.

8. Imports of oats and barley would increase

This would set the stage for a demand for import controls, which might adversely affect our relations with Canada who is by far the best customer we have among the nations.

9. Feed grains supports can defeat the purpose of the soil bank

The purpose of the soil bank is to help bring down the huge surpluses to a more even balance with demand. By increasing price supports on feed grains, farmers will be encouraged to put millions of acres into feed grain production that otherwise would go into the conservation reserve program. This will build up supplies in the hands of the Government and further aggravate a deplorable situation. This is the kind of contradiction which caused the President to veto the original farm bill of 1956.

10. Regimentation will be costly

The establishment of base acreages on approximately 100 million acres of grain sorghums, rye, barley, oats, and noncommercial area corn will be difficult, irritating to farmers, and cost approximately \$36 million the first year alone. The effect will be to force the Department of Agriculture to further regiment farmers.

Not only will it be costly administratively, but it will increase feed costs in every State of the Nation. The following table shows the effect on each State of an estimated 12 percent increase in costs of purchased feed grains.

Increase in costs of purchased feed grains ¹

[Millions of dollars]

Maine.....	4. 4	West Virginia.....	3. 6
New Hampshire.....	2. 6	North Carolina.....	8. 2
Vermont.....	3. 6	South Carolina.....	3. 0
Massachusetts.....	5. 4	Georgia.....	11. 8
Rhode Island.....	. 6	Florida.....	6. 0
Connecticut.....	5. 0		
New York.....	25. 6	South Atlantic Region...	55. 3
New Jersey.....	10. 7		
Pennsylvania.....	24. 9	Kentucky.....	5. 8
North Atlantic Region...	82. 8	Tennessee.....	5. 5
		Alabama.....	5. 3
Ohio.....	19. 1	Mississippi.....	5. 3
Indiana.....	19. 5	Arkansas.....	7. 4
Illinois.....	25. 5	Louisiana.....	3. 5
Michigan.....	8. 8	Oklahoma.....	9. 2
Wisconsin.....	15. 6	Texas.....	26. 8
East North Central Re-		South Central Region...	68. 8
gion.....	88. 5		
Minnesota.....	20. 2	Montana.....	2. 5
Iowa.....	42. 4	Idaho.....	3. 9
Missouri.....	18. 2	Wyoming.....	1. 6
North Dakota.....	2. 0	Colorado.....	7. 1
South Dakota.....	5. 8	New Mexico.....	2. 7
Nebraska.....	16. 9	Arizona.....	2. 5
Kansas.....	11. 5	Utah.....	2. 8
West North Central Re-		Nevada.....	. 6
gion.....	117. 0	Washington.....	7. 0
Delaware.....	5. 2	Oregon.....	6. 6
Maryland.....	8. 1	California.....	45. 1
Virginia.....	9. 4	Western region.....	82. 4
		United States.....	494. 8

¹ Basis 1954 expenditures as per information furnished by U. S. Department of Agriculture. H. R. 10875 would allocate a maximum of \$175 million for the acreage-reserve program on feed grains. This would be insufficient to offset the decrease of \$495 million in farm income resulting from the program. It would take much higher livestock prices and increased market prices for corn to balance the deficit created by this legislation.

Farmers' gross income hasn't declined; it is their net income that has gone down. The bill raises farmers' costs by approximately \$½ billion.

Over 50 percent of all of the income of farmers comes from the sale of livestock, dairy, and poultry products. Therefore it is not surprising that the majority of farmers welcomed the President's veto of H. R. 12 which would have grossly discriminated against livestock, dairy, and poultry producers.

Recent events make it clear that the farmers are surfeited with unsound farm legislation and will gladly support a sound and responsible farm program.

If we are to have such a program, the undersigned feel that the feed grain provisions requiring mandatory price supports must be deleted from this bill.

SPESSARD L. HOLLAND.
JAMES O. EASTLAND.
GEORGE D. AIKEN.
BOURKE B. HICKENLOOPER.
JOHN J. WILLIAMS.

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

[Report No. 1966]

IN THE SENATE OF THE UNITED STATES

MAY 7, 1956

Read twice and referred to the Committee on Agriculture and Forestry

MAY 11, 1956

Reported, under authority of the order of the Senate of May 10 (legislative day, May 7), 1956, by Mr. ELLENDER, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

To enact the Agricultural Act of 1956.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1956".

TITLE I—SOIL BANK ACT

SHORT TITLE

7 SEC. 101. This title may be cited as the "Soil Bank Act".

DECLARATION OF POLICY

9 SEC. 102. The Congress hereby finds that the produc-
10 tion of excessive supplies of agricultural commodities de-

1 presses the prices and income of farm families; constitutes
2 improper land use and brings about soil erosion, depletion of
3 soil fertility, and too rapid release of water from lands
4 where it falls, thereby adversely affecting the national wel-
5 fare, impairing the productive facilities necessary for a con-
6 tinuous and stable supply of agricultural commodities, and en-
7 dangering an adequate supply of water for agricultural and
8 nonagricultural use; overtaxes the facilities of interstate
9 and foreign transportation; congests terminal markets and han-
10 dling and processing centers in the flow of commodities from
11 producers to consumers; depresses prices in interstate and
12 foreign commerce; disrupts the orderly marketing of com-
13 modities in such commerce; and otherwise affects, burdens,
14 and obstructs interstate and foreign commerce. It is in the
15 interest of the general welfare that the soil and water re-
16 sources of the Nation be not wasted and depleted in the
17 production of such burdensome surpluses and that interstate
18 and foreign commerce in agricultural commodities be pro-
19 tected from excessive supplies. It is hereby declared to be
20 the policy of the Congress and the purposes of this title to
21 protect and increase farm income, to protect the national soil,
22 water, and forest and wildlife resources from waste and
23 depletion, to protect interstate and foreign commerce from
24 the burdens and obstructions which result from the utilization
25 of farmland for the production of excessive supplies of

1 agricultural commodities, and to provide for the conservation
2 of such resources and an adequate, balanced, and orderly
3 flow of such agricultural commodities in interstate and for-
4 eign commerce. To effectuate the policy of Congress and
5 the purposes of this title programs are herein authorized to
6 assist farmers to divert a portion of their cropland from the
7 production of excessive supplies of agricultural commodities,
8 and to carry out a program of soil, water, forest and wildlife
9 conservation. The activities authorized under this title are
10 supplementary to the acreage allotments and marketing
11 quotas authorized under the Agricultural Adjustment Act of
12 1938, as amended, and together with such acreage allotments
13 and marketing quotas, constitute an overall program to pre-
14 vent excessive supplies of agricultural commodities from bur-
15 dening and obstructing interstate and foreign commerce.

16 SUBTITLE A—ACREAGE RESERVE PROGRAM

17 TERMS AND CONDITIONS

18 SEC. 103. (a) Notwithstanding any other provision of
19 law, the Secretary of Agriculture (hereinafter referred to as
20 the "Secretary") is authorized and directed to formulate and
21 carry out an acreage reserve program for the ~~1956~~, 1957,
22 1958, and 1959 crops, *and to the extent he deems practicable*
23 *for the 1956 crop*, of wheat, cotton, corn produced in the
24 commercial corn-producing area, other feed grains (corn
25 produced outside the commercial corn-producing area, grain

1 sorghums, barley, rye, and oats), peanuts, rice, flue-cured
2 tobacco, burley tobacco, Maryland tobacco, dark air-cured
3 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
4 binder tobacco types 51, 52, 54, and 55, Ohio cigar filler
5 tobacco types 42, 43, and 44, respectively and such other
6 field crops as the Secretary may designate (hereinafter
7 referred to as "the commodity"), under which producers
8 shall be compensated for reducing their acreages of the
9 commodity below their farm acreage allotments or their
10 farm base acreages, whichever may be applicable. To be
11 eligible for such compensation the producer (1) shall re-
12 duce his acreage of the commodity below his farm acreage
13 allotment or farm base acreage, whichever may be appli-
14 cable, within such limits as the Secretary may prescribe, (2)
15 shall specifically designate the acreage so withdrawn from
16 the production of such commodity (hereinafter referred to
17 as the "reserve acreage"), and (3) shall not harvest any
18 crop from, or graze, the reserve acreage unless the Secretary,
19 after certification by the Governor of the State in which such
20 acreage is situated of the need for grazing on such acreage,
21 determines that it is necessary to permit grazing thereon in
22 order to alleviate damage, hardship, or suffering caused by
23 severe drought, flood, or other natural disaster, and consents
24 to such grazing. Reserve acreage of a commodity may in-
25 clude acreage whether or not planted to the production of

1 the 1956 crop of the commodity prior to the announcement
2 of the acreage reserve program for the 1956 crop if the
3 crop thereon, if any, shall be plowed under or otherwise
4 physically incorporated into the soil, or clipped, mowed, or
5 cut to prevent maturing so that the reduction in acreage of
6 the commodity below the acreage allotment occurs ~~within~~
7 *not later than* 21 days after the enactment of this title, or by
8 such later date as may be fixed by the Secretary. ~~In addition~~
9 ~~to the foregoing,~~ the Secretary is authorized and directed to
10 formulate and carry out during the years 1956, 1957, 1958,
11 and 1959 an acreage reserve program for grazing lands under
12 which farmers or ranchers will be compensated for reducing
13 their acreages of grazing lands and making a corresponding
14 reduction in livestock units below a representative period
15 designated by the Secretary. All the provisions of this title
16 not inconsistent therewith shall apply to the grazing lands
17 acreage reserve program. The reserve acreage shall be
18 in addition to any acreage devoted to the conservation
19 reserve program authorized under subtitle B of this title.
20 The acreage reserve program may include such terms and
21 conditions, in addition to those specifically provided for
22 herein, including provisions relating to control of noxious
23 weeds on the reserve acreage, as the Secretary determines
24 are desirable to effectuate the purposes of this title and to

1 facilitate the practical administration of the acreage reserve
2 program.

3 Before any producer is entitled to receive any compen-
4 sation for participating in the acreage reserve program, he
5 must first enter into a contract with the Secretary, which
6 contract, in addition to such other terms and conditions as
7 may be prescribed by the Secretary, shall contain provisions
8 by which such producer shall agree:

9 (i) In the event that the Secretary determines that
10 there has been a violation of the contract at any stage dur-
11 ing the time such producer has control of the farm and that
12 such violation is of such a substantial nature as to warrant
13 termination of the contract, to forfeit all rights to payments
14 or grants under the contract, and to refund to the United
15 States all payments and grants received by him there-
16 under: *Provided, however, That the provisions of Section*
17 *107 (d) shall apply to the termination of any contract*
18 *hereunder.*

19 (ii) In the event that the Secretary determines that
20 there has been a violation of the contract but that such vio-
21 lation is of such a nature as not to warrant termination of
22 the contract, to accept such payment adjustments, forfeit
23 such benefits, and make such refunds to the United States
24 of payments and benefits received by him, under the con-
25 tract, as the Secretary may determine to be appropriate.

1 (b) (1) There is hereby established *for 1956 and* for
2 each year for which an acreage reserve program is in effect
3 for corn a total base acreage of corn for the commercial
4 corn-producing area proclaimed under section 327 of the
5 Agricultural Adjustment Act of 1938, as amended, of fifty-
6 one million acres. The total base acreage of corn for the
7 commercial corn-producing area shall be apportioned
8 by the Secretary among the counties in such area on the
9 basis of the acreage of corn in such counties during the
10 five calendar years immediately preceding the calendar
11 year in which the apportionment is made (plus, in appli-
12 cable years, the acreage diverted under previous agricultural
13 adjustment, conservation, and soil bank programs), with
14 adjustments for abnormal weather conditions, for trends in
15 acreage during such period and for the promotion of soil-
16 conservation practices: *Provided*, That any downward ad-
17 justment for the promotion of soil-conservation practices
18 shall not exceed 2 per centum of the total base acreage
19 that would otherwise be apportioned to the county. The
20 base acreage for the county shall be apportioned by the
21 Secretary, through the local committees, among the farms
22 within the county on the basis of past acreage of corn
23 (planted and diverted), tillable acreage crop-rotation prac-
24 tices, types of soil, and topography.

25 (2) This subsection (b) shall become inoperative after

1 1956 if in the referendum conducted pursuant to section 308
2 (b), producers do not vote in favor of the program provided
3 in subsection (c) of such section.

4 (c) For each year in which an acreage reserve program
5 will be in effect for corn, a farm base acreage shall be estab-
6 lished for feed grains. For 1956, in the commercial corn-
7 producing area, such farm base acreage for feed grains shall
8 be the average acreage on the farm planted to grain sor-
9 ghums, barley, rye, and oats, for the three years 1953, 1954,
10 and 1955; and outside the commercial corn-producing area,
11 such farm base acreage for feed grains shall be the average
12 acreage on the farm planted to grain sorghums, barley, rye,
13 oats, and corn, for the three years 1953, 1954, and 1955.
14 For 1957 and subsequent years in which an acreage reserve
15 program will be in effect for corn, there is hereby established
16 a total base acreage for feed ~~grain~~ *grains* (corn produced out-
17 side the commercial corn-producing area, grain sorghums,
18 barley, rye, and oats). Such total base acreage for feed grains
19 shall be the average acreage planted to such feed grains for
20 the three years 1953, 1954, and 1955, adjusted to reflect any
21 change in the commercial corn-producing area. The total
22 base acreage of feed grains shall be apportioned by the Secre-
23 tary among the States on the basis of the acreage of feed
24 grains (planted and diverted) in such States for the five cal-
25 endar years immediately preceding the calendar year in which

1 the apportionment is made, with adjustments for abnormal
2 weather conditions and for trends in acreage during such
3 period. The base acreage of feed grains for each State, less
4 a reserve of not to exceed 3 per centum thereof for apportion-
5 ment as provided by this subsection, shall be apportioned by
6 the Secretary among the counties on the basis of the acreage
7 of feed grains (planted and diverted) in such counties for the
8 five calendar years immediately preceding the calendar year
9 in which the apportionment is made, with adjustments for
10 abnormal weather conditions, for trends in acreage during
11 such period and for the promotion of soil-conservation prac-
12 tices: *Provided*, That any downward adjustment for the pro-
13 motion of soil-conservation practices shall not exceed 2 per
14 centum of the total base acreage that would otherwise be
15 apportioned to the county. The base acreage for the county
16 shall be apportioned by the Secretary, through the local
17 committees, among the farms within the county on the basis
18 of past acreage of feed grains (planted and diverted), tillable
19 acreage, crop-rotation practices, type of soil, and topography.
20 The reserve set aside herein shall be apportioned to farms on
21 which feed grains have not been planted for any of the crops
22 for the three years immediately preceding the year for which
23 the apportionment is made (such farms are hereinafter called
24 "new feed grain farms"). Producers shall not be eligible for

1 compensation under the acreage reserve program for feed
2 grains, on new feed grain farms. For purposes of this sub-
3 section, section 114, and section 308 (d) the terms "plant"
4 or "planted", as used with respect to feed grains, other than
5 corn, shall mean plant or planted for harvest as grain.

6 EXTENT OF PARTICIPATION IN PROGRAM

7 SEC. 104. For purposes of the acreage reserve program
8 the Secretary shall establish a national reserve acreage goal
9 for the 1956 (*if such a program is in effect for such year*),
10 1957, 1958, and 1959 crops of each commodity specified in
11 section 103 (a) ~~including grazing lands~~. The limits within
12 which individual farms may participate in the acreage reserve
13 program shall be established in such manner as the Secretary
14 determines is reasonably calculated to achieve the national
15 reserve acreage goal and give producers a fair and equitable
16 opportunity to participate in the acreage reserve program,
17 taking into consideration their acreage ~~allotments~~, *allotments*
18 *or* farm base acreages, ~~or other standards~~, whichever may
19 be applicable, the supply and demand conditions for different
20 classes, grades, and qualities of the commodity, and such
21 other factors as he deems appropriate.

22 COMPENSATION OF PRODUCERS

23 SEC. 105. (a) Producers shall be compensated for par-
24 ticipating in the acreage reserve program through the issu-
25 ance of negotiable certificates which the Commodity Credit

1 Corporation shall redeem in accordance with regulations pre-
2 scribed by the Secretary (1) in cash upon presentation by
3 the producer or by any holder in due course or (2) at the
4 option of the producer in the case of certificates issued with
5 respect to grains and upon presentation by him, in grains
6 (such grains to be valued by the Secretary at such levels as
7 he determines will not materially impair the market price for
8 such grain yet will, to the maximum extent practicable en-
9 courage acceptance of payment in grains in lieu of cash) :
10 *Provided*, That disposition of quantities of stocks hereunder
11 in any one year shall be limited to not more than two-thirds
12 of such quantities of such commodities as the Secretary de-
13 termines would be a reasonable estimate of what would have
14 been produced for marketing during such marketing year on
15 the acreage withheld from production under the provisions
16 of this title: *And provided further*, That such stocks shall
17 not be released prior to the end of the normal harvesting
18 season for the particular commodity being released. Com-
19 pensation under this section shall be at such rate or rates
20 as the Secretary determines will provide producers with a
21 fair and reasonable return for reducing their acreage of the
22 commodity, taking into consideration the loss of production
23 of the commodity on the reserve acreage, any savings in cost
24 which result from not planting the commodity on the
25 reserve acreage, and the incentive necessary to achieve the

1 reserve acreage goal. The Secretary shall make an adjust-
 2 ment in yields for drought, flood, or other abnormal condi-
 3 tions in estimating the loss of production for purposes of es-
 4 tablishing rates of compensation. The rates of payment
 5 offered under this section shall be such as to encourage pro-
 6 ducers to underplant their allotments more than one year.
 7 Commodities delivered to producers in redemption of such
 8 certificates shall not be eligible for tender to Commodity
 9 Credit Corporation under the price support program.

10 (b) Compensation shall be paid to any producer
 11 for participating in the acreage reserve program for any
 12 year including 1956 when the Secretary has ascertained that
 13 such producer has complied with the acreage reduction re-
 14 quirements of such program for such year.

15 (c) The total compensation paid producers for partici-
 16 pating in the acreage reserve program with respect to any
 17 year's crop shall not exceed ~~\$800,000,000~~ \$750,000,000,
 18 and with respect to any commodity for any year shall not
 19 exceed the amount shown below: Wheat, \$375,000,000;
 20 cotton, \$300,000,000; corn in the commercial corn-produc-
 21 ing area, \$300,000,000; other feed grains, \$175,000,000;
 22 peanuts, \$7,000,000; rice, \$23,000,000; ~~grazing lands, \$50-~~
 23 ~~000,000; and tobacco, \$45,000,000; and other crops,~~
 24 ~~\$50,000,000.~~ The total amount available for the acreage
 25 reserve program for any year's crops shall be apportioned

1 among the various commodities on the basis of the amounts
 2 required to achieve the reserve acreage goal for each com-
 3 modity established under section 104.

4 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

5 SEC. 106. (a) In the future establishment of State,
 6 county, and farm ~~acreage~~, *acreage* allotments under the
 7 Agricultural Adjustment Act of 1938, as amended, or base
 8 acreages under this title, reserve acreages applicable to any
 9 commodity shall be credited to the State, county, and farm
 10 as though such acreage had actually been devoted to the
 11 production of the commodity.

12 (b) In applying the provisions of paragraph (6) of
 13 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
 14 (6)), and sections 326 (b) and 356 (g) of the Agricultural
 15 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b),
 16 1356 (g)), relating to reduction of the storage amounts of
 17 wheat and rice, the reserve acreage of the commodity on any
 18 farm shall be regarded as wheat acreage or rice acreage,
 19 as the case may be, on the farm.

20 SUBTITLE B—CONSERVATION RESERVE PROGRAM

21 TERMS AND CONDITIONS

22 SEC. 107. (a) To effectuate the purposes of this title
 23 the Secretary is hereby authorized to enter into contracts for
 24 periods of not less than three years with producers deter-
 25 mined by him to have control for the contract period of the

1 farms covered by the contract wherein the producer shall
2 agree:

3 (1) To establish and maintain for the contract period
4 protective vegetative cover (including but not limited to
5 grass and trees), water storage facilities, or other soil-,
6 water-, wildlife-, or forest-conserving uses on a specifically
7 designated acreage of land on the farm regularly used in the
8 production of crops (including crops, such as tame hay,
9 alfalfa, and clovers, which do ~~not~~ require annual tillage).

10 (2) To devote to conserving crops or uses, or allow to
11 remain idle, throughout the contract period an acreage of
12 the remaining land on the farm which is not less than the
13 acreage normally devoted only to conserving crops or uses
14 or normally allowed to remain idle on such remaining
15 acreage.

16 (3) Not to harvest any crop from the acreage established
17 in protective vegetative cover, excepting timber (in accord-
18 ance with sound forestry management) and wildlife or other
19 natural products of such acreage which do not increase
20 supplies of feed for domestic animals.

21 (4) Not to graze any acreage established in protective
22 vegetative cover prior to January 1, 1959, or such later
23 date as may be provided in the contract, except pursuant
24 to the provisions of section 103 (a) (3) hereof; and if such
25 acreage is grazed at the end of such period, to graze such

1 acreage during the remainder of the period covered by the
2 contract in accordance with sound pasture management.

3 (5) Not to adopt any practice, or divert lands on the
4 farm from conservation, woods, grazing, or other use, to any
5 use specified by the Secretary in the contract as a practice or
6 use which would tend to defeat the purposes of the contract.

7 (6) (A) In the event that the Secretary determines
8 that there has been a violation of the contract at any stage
9 during the time such producer has control of the farm and
10 that such violation is of such a substantial nature as to war-
11 rant termination of the contract, to forfeit all rights to pay-
12 ments or grants under the contract, and to refund to the
13 United States all payments and grants received by him
14 thereunder.

15 (B) In the event that the Secretary determines that
16 there has been a violation of the contract but that such
17 violation is of such a nature as not to warrant termination
18 of the contract, to accept such payment adjustments, forfeit
19 such benefits, and make such refunds to the United States
20 of payments and benefits received by him, under the con-
21 tract, as the Secretary may determine to be appropriate.

22 (7) To such additional provisions as the Secretary
23 determines are desirable and includes in the contract to
24 effectuate the purposes of this title and to facilitate the
25 practical administration of the conservation reserve pro-

1 gram, including provisions relating to control of noxious
2 weeds.

3 (b) In return for such agreement by the producer the
4 Secretary shall agree:

5 (1) To bear such part of the cost (including labor) of
6 establishing and maintaining vegetative cover or water
7 storage facilities, or other soil-, water-, wildlife-, or forest-
8 conserving uses, on the designated acreage as the Secretary
9 determines to be necessary to effectuate the purposes of this
10 title, but not to exceed a maximum amount per acre or
11 facility prescribed by the Secretary for the county or area
12 in which the farm is situated; and

13 (2) To make an annual payment to the producer for
14 the term of the contract upon determination that he has
15 fulfilled the provisions of the contract entitling him to such
16 payment. The rate or rates of the annual payment to be
17 provided for in the contracts shall be established on such
18 basis as the Secretary determines will provide producers
19 with a fair and reasonable annual return on the land estab-
20 lished in protective vegetative cover or water storage facili-
21 ties, or other soil-, water-, wildlife-, or forest-conserving uses,
22 taking into consideration the value of the land for the pro-
23 duction of commodities customarily grown on such kind of
24 land in the county or area, the prevailing rates for cash
25 rentals for similar land in the county or area, the incentive

1 necessary to obtain contracts covering sufficient acreage for
2 the substantial accomplishment of the purposes of the con-
3 servation reserve program, and such other factors as he
4 deems appropriate. Such rate or rates may be determined
5 on an individual farm basis, a county or area basis, or such
6 other basis as the Secretary determines will facilitate the
7 practical administration of the program.

8 (c) In determining the lands in any area to be covered
9 by contracts entered into under this section, the Secretary
10 may use advertising and bid procedure if he determines that
11 such action will contribute to the effective and equitable
12 administration of the conservation reserve program.

13 (d) A contract shall not be terminated under paragraph
14 (6) of subsection (a) unless the nature of the violation
15 is such as to defeat or substantially impair the purposes of
16 the contract. Whenever the State committee believes that
17 there has been a violation which would warrant termina-
18 tion of a contract, the producer shall be given written notice
19 thereof by registered mail or personal service, and the pro-
20 ducer shall, if he requests such an opportunity within thirty
21 days after the delivery or service of such notice, be given
22 an opportunity to show cause, in an informal proceeding
23 before the county committee under regulations promulgated
24 by the Secretary, why the contract should not be termi-

1 nated. If the producer does not request an opportunity
2 to show cause why the contract should not be terminated
3 within such thirty-day period, the determination of the State
4 committee made in accordance with regulations of the Sec-
5 retary shall be final and conclusive. If the producer within
6 such thirty-day period requests an opportunity to show cause
7 why the contract should not be terminated, the county com-
8 mittee, at the conclusion of the proceeding, shall submit a
9 report, including its recommendations, to the State commit-
10 tee for a determination, on the basis of such report and
11 such other information as is available to the State com-
12 mittee, as to whether there has been a violation which would
13 warrant termination of the contract. The producer shall be
14 accorded the right, in accordance with regulations promul-
15 gated by the Secretary, to appear before the State committee
16 in connection with the State committee's determination of
17 the issue. The producer shall be given written notice by
18 registered mail or personal service of the State committee's
19 determination. If the producer feels aggrieved by such de-
20 termination, he may obtain judicial review of such deter-
21 mination by filing a complaint with the United States dis-
22 trict court for the district in which the land covered by
23 the contract is located, within ninety days after the delivery
24 or service of notice of such determination, requesting the
25 court to set aside such determination. Service of process

1 in such action shall be made in accordance with the rule for
2 service of process upon the United States prescribed by the
3 Rules of Civil Procedure for the United States District
4 Courts. The copy of the summons and complaint required
5 to be delivered to the officer or agency whose order is being
6 attacked shall be sent to the chairman of the State com-
7 mittee. The action in the United States district court shall
8 be a trial de novo to determine whether there has been a
9 violation which would warrant termination of the contract.
10 If the producer does not seek judicial review of the State
11 committee's determination within the ninety-day period
12 allowed therefor, the State committee's determination shall
13 be final and conclusive. The terms "county committee" and
14 "State committee" as used herein refer to the county and
15 State committees established under section 8 of the Soil
16 Conservation and Domestic Allotment Act, as amended.

17 CONSERVATION RESERVE GOAL

18 SEC. 108. (a) The Secretary shall not later than Feb-
19 ruary 1 of each year determine and announce the national
20 conservation reserve goal for such year. Such goal shall
21 be that percentage which the Secretary determines it is
22 practicable to cover by contracts during such year of the
23 number of acres, if any, by which (1) the acreage used
24 for the production of agricultural commodities during the
25 year preceding the year for which such determination is

1 made, plus any acreage then in the acreage or conservation
2 reserve program or retired from production as a result of
3 acreage allotments or marketing quotas, exceeds (2) the
4 acreage needed during the year for which such determina-
5 tion is made for the production of agricultural commodities
6 for domestic consumption and export and an adequate allow-
7 ance for carryover. As soon as practicable after the enact-
8 ment of this title the Secretary shall determine the national
9 conservation acreage goal for 1956.

10 (b) In distributing the national acreage goal among
11 the various States and major crop production regions, the
12 Secretary shall give due regard to the respective needs of
13 the various States and regions for flood control, drought
14 control, and other conservation benefits; the desires of pro-
15 ducers in particular States or regions to participate in the
16 conservation program; the diversion of acreage from crops
17 under acreage allotments or marketing quotas; and the need
18 to assure adequate production of agricultural commodities
19 and products not in surplus and to discourage the produc-
20 tion of agricultural commodities and products in surplus.

21 (c) The Secretary shall transmit to the Congress on
22 or before March 15 of each year a report of the scope of
23 the conservation reserve program for the preceding year
24 and the basis for participation in such program in the

1 various States and major crop production regions of the
2 country.

3 AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

4 SEC. 109. (a) The Secretary is authorized to formulate
5 and announce programs under this subtitle B and to enter
6 into contracts thereunder with producers during the five-
7 year period 1956-1960 to be carried out during the period
8 ending not later than December 31, 1969, except that
9 contracts for the establishment of tree cover may continue
10 until December 31, 1974.

11 (b) The period covered by any contract shall not
12 exceed ten years, except that contracts for the establishment
13 of tree cover may extend for fifteen years.

14 (c) In carrying out the conservation reserve program,
15 the Secretary shall not enter into contracts with producers
16 which would require payments to producers, including the
17 cost of materials and services, in excess of \$450,000,000
18 in any calendar year.

19 TERMINATION AND MODIFICATION OF CONTRACTS

20 SEC. 110. (a) The Secretary may terminate any con-
21 tract with a producer by mutual agreement with the pro-
22 ducer if the Secretary determines that such termination
23 would be in the public interest.

24 (b) The Secretary may agree to such modification of

1 contracts previously entered into as he may determine to
2 be desirable to carry out the purposes of this title and to
3 facilitate the practical administration of the conservation
4 reserve program.

5 CONSERVATION MATERIALS AND SERVICES

6 SEC. 111. (a) The Secretary may purchase or produce
7 conservation materials and services and make such materials
8 and services available to producers under the conservation
9 reserve program to aid them in establishing vegetative cover
10 or water storage facilities, or other soil-, water-, wildlife-,
11 or forest-conserving uses, under contracts authorized by this
12 subtitle B, may reimburse ~~and~~ *any* Federal, State, or local
13 government agency for conservation materials and services
14 furnished by such agency, and may pay expenses necessary in
15 making such materials, and services available, including all
16 or part of the costs incident to the delivery, application,
17 or installation of materials and services.

18 (b) Notwithstanding any other provision of law, in
19 making conservation materials and services available to pro-
20 ducers hereunder, the Secretary may make payments, in
21 advance of determination of performance by the producers,
22 to persons who fill purchase orders covering approved con-
23 servation materials or who render services to the Secretary
24 in furnishing to producers approved conservation materials
25 or services for the establishment by the producers of vegeta-

1 tive cover or water storage facilities, or other soil-, water-,
2 wildlife-, or forest-conserving uses, under contracts authorized
3 by this subtitle B. The price at which purchase orders for
4 any conservation material or service are filled may be limited,
5 if the Secretary determines that it is necessary in the interest
6 of producers and the Government, to a fair price fixed in
7 accordance with regulations prescribed by the Secretary.

8 EFFECT ON OTHER PROGRAMS

9 SEC. 112. Notwithstanding any other provision of law—

10 (1) insofar as the acreage of cropland on any farm
11 enters into the determination of acreage allotments and
12 marketing quotas under the Agricultural Adjustment
13 Act of 1938, as amended, the cropland acreage on the
14 farm shall not be deemed to be decreased during the
15 period of any contract entered into under the conserva-
16 tion reserve program by reason of the establishment and
17 maintenance of vegetative cover or water storage facili-
18 ties, or other soil-, water-, wildlife-, or forest-conserving
19 uses, under such contract; and

20 (2) the acreage on any farm which is determined
21 under regulations of the Secretary to have been diverted
22 from the production of any commodity in order to carry
23 out the contract entered into under the conservation
24 reserve program shall be considered acreage devoted
25 to the commodity for the purposes of establishing future

1 State, county, and farm acreage allotments under the
2 Agricultural Adjustment Act of 1938, as amended, and
3 base acreages under this Act.

4 GEOGRAPHICAL APPLICABILITY

5 SEC. 113. This subtitle B shall apply to the continental
6 United States, and, if the Secretary determines it to be in
7 the national interest, to one or more of the Territories of
8 Alaska and Hawaii, the Commonwealth of Puerto Rico,
9 and the Virgin Islands, and as used in this subtitle B, the
10 term "State" includes Alaska, Hawaii, Puerto Rico, and the
11 Virgin Islands.

12 SUBTITLE C—GENERAL PROVISIONS

13 COMPLIANCE WITH ACREAGE ALLOTMENTS

14 SEC. 114. No person shall be eligible for payments or
15 compensation under this title with respect to any farm for
16 any year in which (1) the acreage of any basic agricultural
17 commodity other than wheat or corn on the farm exceeds the
18 farm acreage allotment for the commodity under title III of
19 the Agricultural Adjustment Act of 1938, as amended, or
20 (2) the wheat acreage on the farm exceeds the larger of the
21 farm wheat acreage allotment under such title or fifteen
22 acres, or (3) the corn acreage on the farm, in the case of a
23 farm in the commercial corn-producing area, exceeds the
24 farm base acreage for corn or the farm acreage allotment,

1 whichever is in effect, or (4) the acreage planted to feed
2 grains on the farm exceeds the farm base acreage for feed
3 grains, except that such requirement for compliance with the
4 farm base acreage for feed grains shall not apply for 1956.
5 For the purpose of this section, a producer shall not be
6 deemed to have exceeded his farm acreage allotment or farm
7 base acreage, unless such producer knowingly exceeded such
8 allotment or base acreage and, in the case of wheat, unless
9 such producer knowingly exceeded the farm acreage allot-
10 ment or fifteen acres, whichever is larger.

11 REAPPORTIONMENT PROHIBITED

12 SEC. 115. No acreage diverted from the production of
13 any commodity subject to acreage allotments as a result of
14 participation in the acreage reserve or conservation reserve
15 programs shall be reapportioned or allotted to any other
16 farm.

17 CERTIFICATE OF CLAIMANT

18 SEC. 116. Subject to the provisions of section 105 (b),
19 payment or compensation authorized by this title may be
20 made upon the certificate of the claimant, in such form as
21 the Secretary may prescribe, that he has complied with
22 all requirements for such payment and that the statements
23 and information contained in the application for payment are
24 correct and true, to the best of his knowledge and belief.

1 UTILIZATION OF LOCAL AND STATE COMMITTEES

2 SEC. 117. In administering this title in the continental
3 United States, the Secretary shall utilize the services of
4 local, county, and State committees established under section
5 8 of the Soil Conservation and Domestic Allotment Act, as
6 amended.

7 UTILIZATION OF OTHER AGENCIES

8 SEC. 118. With respect to conservation aspects of any
9 program under this title, the Secretary shall consult with
10 the soil-conservation districts, State foresters, State game
11 and fish agencies, land-grant colleges, and other appropriate
12 agencies of State governments, and with the Fish and Wild-
13 life Service, in the formulation of program provisions at the
14 State and county levels. The technical resources of the
15 Soil Conservation Service, the Forest Service, the land-
16 grant colleges, the State foresters, State game and fish
17 agencies, the Fish and Wildlife Service, and other appro-
18 priate technical services shall be utilized, so far as practicable,
19 to assure coordination of conservation activities and a solid
20 technical foundation for the program.

21 UTILIZATION OF LAND USE CAPABILITY DATA

22 SEC. 119. In administering this title the Secretary shall
23 utilize to the fullest practicable extent land use capability
24 data, including capability surveys as developed by the Soil

1 Conservation Service, and shall carry forward to completion
2 as rapidly as possible the basic land inventory of the Nation.

3 FINANCING

4 SEC. 120. (a) The Secretary is authorized to utilize the
5 facilities, services, authorities, and funds of the Commodity
6 Credit Corporation in discharging his functions and responsi-
7 bilities under this title, including payment of costs of adminis-
8 tration for the programs authorized under this title: *Provided*,
9 That the Secretary shall, prior to February 1, 1957, or such
10 earlier date as may be practicable, submit to the Congress
11 a full program of all operations under this title which will
12 require the making of expenditures during the fiscal year
13 ending June 30, 1958; and, after June 30, 1957, the
14 Commodity Credit Corporation shall not make any expendi-
15 tures for carrying out the purposes of this title unless the
16 Corporation has received funds to cover such expenditures
17 from appropriations made to carry out the purposes of this
18 title. There are hereby authorized to be appropriated such
19 sums as may be necessary to carry out the purposes of this
20 title, including such amounts as may be required to make
21 payments to the Corporation for its actual costs incurred
22 or to be incurred under this section.

23 (b) All funds available for carrying out the purposes
24 of this title shall be available for transfer to such agencies of
25 the Federal or State governments as the Secretary may re-

1 quest to cooperate or assist in carrying out this title; and for
2 technical assistance in formulating and carrying out the pro-
3 grams authorized by this title. The Secretary may make
4 such payments in advance of determination of performance.

5 FINALITY OF DETERMINATIONS

6 SEC. 121. The facts constituting the basis for any pay-
7 ment or compensation, or the amount thereof, authorized
8 to be made under this title, when officially determined in
9 conformity with applicable regulations prescribed by the
10 Secretary, shall be final and conclusive and shall not be
11 reviewable by any other officer or agency of the Government.
12 In case any producer who is entitled to any payment or
13 compensation dies, becomes incompetent, or disappears before
14 receiving such payment or compensation, or is succeeded by
15 another who renders or completes the required performance,
16 the payment or compensation shall, without regard to any
17 other provisions of law, be made as the Secretary may deter-
18 mine to be fair and reasonable in all the circumstances and
19 so provide by regulations.

20 PROTECTION OF TENANTS AND SHARECROPPERS

21 SEC. 122. In the formulation and administration of pro-
22 grams under this title, the Secretary shall provide adequate
23 safeguards to protect the interests of tenants and sharecrop-
24 pers, including provision for sharing, on a fair and equitable
25 basis, in payments or compensation under this title, and in-

1 cluding such provision as may be necessary to prevent them
2 from being forced off the farm. Applications to participate
3 in any such program shall specify the basis on which the
4 landlord, tenants, and sharecroppers are to share in such
5 payments or compensation, and no contract under any such
6 program shall be entered into unless such basis is approved
7 by the county committee and incorporated into the contract.
8 The standards prescribed by the Secretary for the guidance
9 of county committees in determining whether any such basis
10 shall be approved shall include the requirement that consid-
11 eration be given to the respective contributions which would
12 have been made by the landlord, tenants, and sharecroppers
13 in the production of the crops which would have been pro-
14 duced on the acreage diverted from production under the
15 contract and the basis on which they would have shared in
16 such crops or the proceeds thereof.

17 **PENALTY FOR GRAZING OR HARVESTING**

18 **SEC. 123.** Any producer who knowingly and willfully
19 grazes or harvests any crop from any acreage in violation
20 of a contract entered into under section 103 or 107 shall
21 be subject to a civil penalty equal to 50 per centum of
22 the compensation payable for compliance with such con-
23 tract for the year in which the violation occurs. Such
24 penalty shall be in addition to any amounts required to
25 be forfeited or refunded under the provisions of such con-

1 tract, and shall be recoverable in a civil suit brought in
2 the name of the United States.

3 REGULATIONS

4 SEC. 124. The Secretary shall prescribe such regula-
5 tions as he determines necessary to carry out the provisions
6 of this title.

7 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

8 SEC. 125. The President shall, with respect to farm-
9 lands now or hereafter owned by the Federal Government,
10 restrict insofar as practicable the leasing of such lands for
11 the production of ~~agricultural commodities~~ *price supported*
12 *crops* in surplus supply.

13 POOLING OF CONSERVATION RESERVE LAND

14 SEC. 126. Whenever management of family farms or
15 optimum land use will be aided, the Secretary of Agriculture
16 is authorized to permit farmers to pool their rights to par-
17 ticipate jointly in the conservation reserve program on prop-
18 erty other than their home farms.

19 TITLE II—SURPLUS DISPOSAL

20 PROGRAM OF ORDERLY LIQUIDATION

21 SEC. 201. (a) The Commodity Credit Corporation shall,
22 as rapidly as possible consistent with its existing authority,
23 the operation of the price support program, and orderly
24 liquidation, dispose of all stocks of agricultural commodities
25 held by it.

1 (b) The Secretary shall submit to Congress within
2 ninety days after the enactment of this Act detailed pro-
3 grams, with recommendations for any additional legislation
4 needed to carry out such programs, (1) for the disposition of
5 surplus commodities as required by subsection (a) above;
6 (2) for a food stamp plan or similar program for distribu-
7 tion through States (including the District of Columbia, the
8 Territories, Puerto Rico and the Virgin Islands) and local
9 units of Government of future surplus production to needy
10 persons in the United States, its Territories, and possessions,
11 so as to prevent the accumulation of commodities in the
12 hands of the Commodity Credit Corporation; and (3) for
13 strategic stockpiling of foodstuffs and other agricultural prod-
14 ucts (A) inside the United States and (B) outside the
15 United States as authorized in section 415 of the Mutual
16 Security Act of 1954. The Secretary shall report annually
17 on his operations under subsection (a) and such reports
18 shall show—

19 (1) the quantities of surplus commodities on hand;

20 (2) the methods of disposition utilized and the
21 quantities disposed of during the preceding twelve
22 months;

23 (3) the methods of disposition to be utilized and
24 the estimated quantities that can be disposed of during
25 the succeeding twelve months;

1 (4) a detailed program for the expansion of markets
2 for surplus agricultural commodities through marketing
3 and utilization research and improvement of marketing
4 facilities; and

5 (5) recommendations for additional legislation nec-
6 essary to accomplish the purposes of this section.

7 EXTRA-LONG STAPLE COTTON

8 SEC. 202. (a) Hereafter the quota for cotton having a
9 staple length of one and one-eighth inches or more, estab-
10 lished September 20, 1939, pursuant to section 22 of the
11 Agricultural Adjustment Act of 1933, as amended, shall
12 apply to the same grades and staple lengths included in the
13 quota when such quota was initially established. Such quota
14 shall provide for cotton having a staple length of one and
15 eleven-sixteenths inches and longer, and shall establish dates
16 for the quota year which will recognize and permit entry
17 to conform to normal marketing practices and requirements
18 for such cotton.

19 (b) Beginning not later than August 1, 1956, the Com-
20 modity Credit Corporation is directed to sell for export at
21 competitive world prices its stocks of domestically pro-
22 duced extra long staple cotton on hand on the date of
23 enactment of this Act. The amount offered and the price
24 accepted by the Commodity Credit Corporation shall be such

1 as to dispose of such quantity in an orderly manner and
2 within a reasonable period of time.

3 EXPORT SALES PROGRAM FOR COTTON

4 SEC. 203. In furtherance of the current policy of the
5 Commodity Credit Corporation of offering surplus agricul-
6 tural commodities for sale for export at competitive world
7 prices, the Commodity Credit Corporation is directed to use
8 its existing powers and authorities immediately upon the en-
9 actment of this Act to encourage the export of cotton by offer-
10 ing to make cotton available at prices not in excess of the
11 prices at which cottons of comparable qualities are being
12 offered by other exporting countries and, in any event, for
13 the cotton marketing year beginning August 1, 1956, at prices
14 not in excess of the minimum prices (plus carrying charges,
15 beginning October 1, 1956, as established pursuant to Sec-
16 tion 407 of the Agricultural Act of 1949) at which cottons
17 of comparable qualities were sold under the export program
18 announced by the United States Department of Agriculture
19 on August 12, 1955. Cottons of qualities not comparable to
20 those of cottons sold under the program announced on August
21 12, 1955, shall be offered at prices not in excess of the maxi-
22 mum prices prescribed hereunder for cottons of qualities com-
23 parable to those of cottons sold under such program, with
24 appropriate adjustment for differences in quality. Such

1 *quantities of cotton shall be sold as will reestablish and*
2 *maintain the fair historical share of the world market for*
3 *United States cotton, said volume to be determined by the*
4 *Secretary of Agriculture.*

5 AGREEMENTS LIMITING IMPORTS

6 SEC. ~~203~~ 204. The President may, whenever he deter-
7 mines such action appropriate, negotiate with representatives
8 of foreign governments in an effort to obtain agreements lim-
9 iting the export from such countries and the importation into
10 the United States of any agricultural commodity or product
11 manufactured therefrom or textiles or textile products, and
12 the President is authorized to issue regulations governing
13 the entry or withdrawal from warehouse of any such com-
14 modity, product, textiles, or textile products to carry out
15 any such agreement. Nothing herein shall affect the author-
16 ity provided under section 22 of the Agricultural Adjustment
17 Act (of 1933) as amended.

18 APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

19 SEC. ~~204~~ 205. There is hereby authorized to be appropri-
20 ated for each fiscal year, beginning with the fiscal year ending
21 June 30, 1957, the sum of \$500,000,000 to enable the Secre-
22 tary of Agriculture to further carry out the provisions of
23 section 32, Public Law 320, Seventy-fourth Congress, as
24 amended (7 U. S. C. 612c), subject to all provisions of law
25 relating to the expenditure of funds appropriated by such

1 section, except that up to 50 per centum of such \$500,000,-
2 000 may be devoted during any fiscal year to any one agri-
3 tural commodity or the products thereof.

4 TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL
5 STOCKPILE

6 SEC. ~~205~~ 206. (a) Strategic and other materials acquired
7 by the Commodity Credit Corporation as a result of barter or
8 exchange of agricultural commodities or products, unless
9 acquired for the national stockpile established pursuant to
10 the Strategic and Critical Materials Stock Piling Act (50
11 U. S. C. 98-98h) , or for other purposes shall be transferred
12 to the supplemental stockpile established by section 104 (b)
13 of the Agricultural Trade Development and Assistance Act
14 of 1954 (7 U. S. C. 1704) .

15 (b) Strategic materials acquired by the Commodity
16 Credit Corporation as a result of barter or exchange of
17 agricultural commodities or products may be entered, or
18 withdrawn from warehouse, free of duty.

19 (c) In order to reimburse the Commodity Credit Cor-
20 poration for materials transferred to the supplemental stock-
21 pile there are hereby authorized to be appropriated amounts
22 equal to the value of any materials so transferred. The value
23 of any such material for the purpose of this subsection, shall
24 be the lower of the domestic market price or the Commodity

1 Credit Corporation's investment therein as of the date of
2 such transfer, as determined by the Secretary of Agriculture.

3 SURPLUS DISPOSAL ADMINISTRATOR

4 SEC. ~~206~~ 207. The Secretary of Agriculture is authorized
5 to appoint an agricultural surplus disposal administrator,
6 at a salary rate of not exceeding \$15,000 per annum, whose
7 duties shall include such responsibility for activities of the
8 Department, including those of the Commodity Credit Cor-
9 poration, relating to the disposal of surplus agricultural
10 commodities as the Secretary may direct.

11 PAYMENT OF OCEAN FREIGHT

12 SEC. ~~207~~ 208. The Agricultural Trade Development and
13 Assistance Act of 1954, as amended, is amended as follows:

14 (a) The first sentence of section 103 (a) is amended
15 by striking out the word "and" following the words "han-
16 dling costs," and by inserting immediately before the period
17 the following: "and, (3) all Commodity Credit Corporation
18 funds expended for ocean freight costs authorized under title
19 II hereof for purposes of section 416 of the Agricultural Act
20 of 1949, as amended".

21 (b) Section 201 is amended by striking out "f. o. b.
22 vessels in United States ports,".

23 (c) The first sentence of section 203 is amended to
24 read as follows: "Not more than \$500,000,000 (including
25 the Corporation's investment in such commodities) shall be

1 expended for all such transfers and for other costs authorized
 2 by this title." Section 203 is further amended by adding
 3 at the end of the section the following: "Such transfers may
 4 include delivery f. o. b. vessels in United States ports and,
 5 upon a determination by the President that it is necessary
 6 to accomplish the purposes of this title or of section 416
 7 of the Agricultural Act of 1949, as amended, ocean freight
 8 charges from United States ports to designated ports of
 9 entry abroad may be paid from funds available to carry
 10 out this title on commodities transferred pursuant hereto
 11 or donated under said section 416. Funds required for ocean
 12 freight costs authorized under this title may be transferred
 13 by the Commodity Credit Corporation to such other Federal
 14 agency as may be designated by the President."

15 COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
 16 INCREASED INDUSTRIAL USE OF AGRICULTURAL
 17 PRODUCTS

18 SEC. ~~208~~ 209. (a) (1) There is hereby established a
 19 bipartisan Commission on Increased Industrial Use of Agri-
 20 cultural Products (hereafter referred to as "the Commis-
 21 sion"). The Commission shall be composed of five members,
 22 of whom not more than three shall be members of the same
 23 political party, to be appointed by the President by and with
 24 the advice and consent of the Senate. In making such ap-
 25 pointments the President shall give due consideration to the

1 interests of various segments of agriculture. One of the
2 members so appointed shall be designated as Chairman by
3 the President.

4 (2) Members of the Commission shall be paid compen-
5 sation at the rate of \$50 per day and shall be reimbursed
6 for necessary traveling and other expenses incurred by them
7 in the performance of their duties as member of the Com-
8 mission.

9 (3) The Commission is authorized to appoint and fix
10 the compensation, without regard to the civil-service laws
11 and the Classification Act of 1949, as amended, of an execu-
12 tive director and such chemists, engineers, agriculturists,
13 attorneys, and other assistants as it may deem necessary.
14 The Secretary of Agriculture is authorized to provide the
15 Commission with necessary office space, and may detail,
16 on a reimbursable basis, any personnel of the Department of
17 Agriculture to assist the Commission in carrying out its work.

18 (4) Upon request of the Commission, any other de-
19 partment or agency of the Government having information
20 or data needed by the Commission in carrying out its duties
21 under this section, shall make such information or data
22 available to the Commission for such purposes. The Com-
23 mission shall take such steps as may be necessary to pro-
24 tect against unauthorized disclosure any such information or
25 data which may be classified for security purposes.

1 (5) Service of an individual as a member of the Com-
2 mission or employment of an individual by the Commission
3 in a technical or professional field, on a part-time or full-time
4 basis, shall not be considered as service or employment
5 bringing such individual within the provisions of section
6 281, 283, 284, 434 or 1914 of title 18 of the United States
7 Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

8 (b) It shall be the duty of the Commission to prepare
9 and present to the Congress, not later than June 15, 1957,
10 the necessary recommendations which in its opinion will
11 bring about the greatest practical use for industrial purposes
12 of agricultural products not needed for human or animal
13 consumption, including, but not limited to, use in the manu-
14 facture of rubber, industrial alcohol, motor fuels, plastics, and
15 other products.

16 (c) There is hereby authorized to be appropriated such
17 sum, not to exceed \$150,000, as may be necessary to enable
18 the Commission to carry out its functions.

19 (d) Upon submission of the recommendations referred
20 to in subsection (b), the Commission shall cease to exist.

21 DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

22 SEC. ~~209~~ 210. Notwithstanding any other limitations as
23 to the disposal of surplus commodities acquired through price
24 support operations, the Commodity Credit Corporation is
25 authorized on such terms and under such regulations as

1 the Secretary of Agriculture may deem in the public interest,
2 and upon application, to donate food commodities acquired
3 through price support operations to Federal penal and
4 correctional institutions, and to State correctional institu-
5 tions for minors, other than those in which food service
6 is provided for inmates on a fee, contract, or concession
7 basis.

8 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL

9 PROJECTS

10 SEC. ~~210~~ 211. (a) For a period of three years from
11 the date of enactment of this Act, no agricultural commodity
12 determined by the Secretary of Agriculture in accordance
13 with subsection (c) to be in surplus supply shall receive
14 any crop loans or Federal farm payments or benefits if grown
15 on any newly irrigated or drained lands within any Federal
16 irrigation or drainage project hereafter authorized unless
17 such lands were used for the production of such commodity
18 prior to the enactment of this Act.

19 (b) The Secretary of the Interior and the Secretary of
20 Agriculture shall cause to be included, in all irrigation,
21 drainage, or flood-control contracts entered into with respect
22 to Federal irrigation, drainage, or flood-control projects
23 hereafter authorized, such provisions as they may deem
24 necessary to provide for the enforcement of the provisions
25 of this section. For a period of three years from the date

1 of enactment of this Act surplus crops grown on lands re-
2 claimed by flood-control projects hereafter authorized and
3 the lands so reclaimed shall be ineligible for any benefits
4 under the soil-bank provisions of this Act and under price
5 support legislation.

6 (c) On or before October 1 of each year, the Secretary
7 of Agriculture shall determine and proclaim the agricultural
8 commodities the supplies of which are in excess of estimated
9 requirements for domestic consumption and export plus
10 adequate reserves for emergencies. The commodities so
11 proclaimed shall be considered to be in surplus supply for
12 the purposes of this section during the succeeding crop year.

13 (d) For the purposes of this section the term "Federal
14 irrigation or drainage project" means any irrigation or drain-
15 age project subject to the Federal reclamation laws (Act of
16 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
17 or supplementary thereto) in effect at the date of the adoption
18 of this amendment and any irrigation or drainage project
19 subject to the laws relating to irrigation and drainage ad-
20 ministered by the Department of Agriculture or the Secre-
21 tary of Agriculture.

22 PROCESSING OF DONATED FOOD COMMODITIES

23 SEC. ~~211~~ 212. Section 416 of the Agricultural Act of
24 1949, as amended, is amended by inserting before the last
25 sentence thereof a new sentence as follows: "In addition, in

1 the case of food commodities disposed of under this section,
2 the Commodity Credit Corporation may pay the cost of
3 processing such commodities into a form suitable for home
4 or institutional use, such processing to be accomplished
5 through private trade facilities to the greatest extent
6 possible.”

7 TITLE III—MARKETING QUOTAS AND ACREAGE
8 ALLOTMENTS

9 EXTENSION OF SURRENDER AND REAPPORTIONMENT PRO-
10 VISIONS FOR WHEAT ACREAGE ALLOTMENTS

11 SEC. 301. Section 334 (f) of the Agricultural Adjust-
12 ment Act of 1938, as amended, is amended by striking out
13 “1955” wherever it appears in such subsection and inserting
14 in lieu thereof “1955, 1956, or 1957”.

15 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

16 SEC. 302. Section 342 of the Agricultural Adjustment
17 Act of 1938, as amended, is hereby amended by adding at
18 the end thereof the following: “Notwithstanding the fore-
19 going provisions of this section *and the provisions of section*
20 *344*, the national marketing quota for cotton for 1957 and
21 1958 shall be not less than the number of bales required to
22 provide a national acreage allotment for 1957 and 1958
23 equal to the national acreage allotment for 1956, *and such*
24 *national allotments for 1957 and 1958 shall be apportioned*

1 *among the States in the same proportion that they shared in*
2 *the total acreage allotted in 1956."*

3 COTTON—SMALL FARM ALLOTMENTS

4 SEC. 303. (a) Section 344 (b) of the Agricultural Ad-
5 justment Act of 1938, as amended, is amended by inserting
6 before the period at the end thereof a colon and the following:
7 "*Provided*, That there is hereby established a national acre-
8 age reserve consisting of one hundred thousand acres which
9 shall be in addition to the national acreage allotment; and
10 such reserve shall be apportioned to the States on the basis of
11 their needs for additional acreage for establishing minimum
12 farm allotments under subsection (f) (1), as determined by
13 the Secretary without regard to State and county acreage re-
14 serves (except that the amount apportioned to Nevada shall
15 be one thousand acres), and the additional acreage so appor-
16 tioned to the State shall be apportioned to the counties on the
17 same basis and added to the county acreage allotment for
18 apportionment to farms pursuant to subsection (f) of this
19 section (except that no part of such additional acreage shall
20 be used to increase the county reserve above 15 per centum
21 of the county allotment determined without regard to such ad-
22 ditional acreage). Additional acreage apportioned to a State
23 for any year under the foregoing proviso shall not be taken
24 into account in establishing future State acreage allotments.
25 Needs for additional acreage under the foregoing proviso and

1 under the last proviso in subsection (e) shall be determined
2 as though allotments were first computed without regard to
3 subsection (f) (1).”

4 (b) Section 344 (e) of the Agricultural Adjustment
5 Act of 1938, as amended, is amended by inserting before the
6 period at the end thereof a colon and the following: “*Pro-*
7 *vided further*, That if the additional acreage allocated to a
8 State under the proviso in subsection (b) is less than the
9 requirements as determined by the Secretary for establishing
10 minimum farm allotments for the State under subsection (f)
11 (1), the acreage reserved by the State committee under this
12 subsection shall not be less than the smaller of (1) the
13 remaining acreage so determined to be required for establish-
14 ing minimum farm allotments or (2) 3 per centum of the
15 State acreage allotment; and the acreage which the State
16 committee is required to reserve under this proviso shall be
17 allocated to counties on the basis of their needs for additional
18 acreage for establishing minimum farm allotments under sub-
19 section (f) (1), and added to the county acreage allotment
20 for apportionment to farms pursuant to subsection (f) of this
21 section (except that no part of such additional acreage shall
22 be used to increase the county reserve above 15 per centum
23 of the county allotment determined without regard to such
24 additional acreages).”

25 (c) Section 344 (f) of the Agricultural Adjustment Act

1 of 1938, as amended, is amended by changing paragraph (1)
2 to read as follows:

3 “(1) Insofar as such acreage is available, there shall be
4 allotted the smaller of the following: (A) four acres; or (B)
5 the highest number of acres planted to cotton in any year of
6 such three-year period.”

7 (d) The first sentence of section 344 (f) (6) of such
8 Act is amended to read as follows: “Notwithstanding the
9 provisions of paragraph (2) of this subsection, if the county
10 committee recommends such action and the Secretary de-
11 termines that such action will result in a more equitable dis-
12 tribution of the county allotment among farms in the county,
13 the remainder of the county acreage allotment (after making
14 allotments as provided in paragraph (1) of this subsection)
15 shall be allotted to farms other than farms to which an allot-
16 ment has been made under paragraph (1) (B) of this sub-
17 section so that the allotment to each farm under this para-
18 graph together with the amount of the allotment of such
19 farm under paragraph (1) (A) of this subsection shall be a
20 prescribed ~~percentages~~ *percentage* (which percentage shall
21 be the same for all such farms in the county) of the average
22 acreage planted to cotton on the farm during the three years
23 immediately preceding the year for which such allotment is
24 determined, adjusted as may be necessary for abnormal condi-
25 tions affecting plantings during such three-year period: *Pro-*

1 *vided*, That the county committee may in its discretion limit
2 any farm acreage allotment established under the provisions
3 of this paragraph for any year to an acreage not in excess
4 of 50 per centum of the cropland on the farm, as determined
5 pursuant to the provisions of paragraph (2) of this subsec-
6 tion: *Provided further*, That any part of the county acreage
7 allotment not apportioned under this paragraph by reason
8 of the initial application of such 50 per centum limitation
9 shall be added to the county acreage reserve under para-
10 graph (3) of this subsection and shall be available for the
11 purposes specified therein.”

12 (c) The amendments made by this section shall be
13 effective only with respect to 1957 and 1958 crops. For the
14 1956 crop, an acreage in each State equal to the acreage
15 allotted in such State which the Secretary determines will
16 not be planted, placed in the acreage reserve or conservation
17 reserve, or considered as planted under section 377 of the
18 Agricultural Adjustment Act of 1938, as amended, may be
19 apportioned by the Secretary among farms in such State
20 having allotments of less than the smaller of the following:
21 (1) four acres, or (2) the highest number of acres planted
22 to cotton in any of the years 1953, 1954, and 1955.

1 MINIMUM STATE ACREAGE ALLOTMENTS FOR 1956 RICE
 2 CROP

3 ~~SEC. 304.~~ Section 353 of the Agricultural Adjustment
 4 Act of 1938, as amended, is amended by adding to subsection
 5 ~~(e)~~ a new paragraph ~~(5)~~ to read as follows:

6 *SEC. 304. Section 353 (c) of the Agricultural Adjust-*
 7 *ment Act of 1938, as amended, is amended by adding at the*
 8 *end thereof the following:*

9 “(5) Each of the State acreage allotments for 1956
 10 heretofore proclaimed by the Secretary, after adding thereto
 11 any acreage apportioned to farms in the State from the
 12 reserve acreage set aside pursuant to subsection (a) of this
 13 section, shall be increased by such amount as may be neces-
 14 sary to provide such State with an allotment of not less
 15 than 85 per centum of its final allotment established for 1955.
 16 Any additional acreage required to provide such minimum
 17 allotment shall be additional to the national acreage allot-
 18 ment. In any State having county acreage allotments for
 19 1956, the increase in the State allotment shall be apportioned
 20 among counties in the State on the same basis as the State
 21 allotment was heretofore apportioned among the counties,
 22 but without regard to adjustments for trends in acreage.”

1 “(6) *The national acreage allotments of rice for 1957 and*
 2 *1958 shall be not less than the national acreage allotment for*
 3 *1956, including any acreage allotted under paragraph (5)*
 4 *of this subsection, and such national allotments for 1957 and*
 5 *1958 shall be apportioned among the States in the same pro-*
 6 *portion that they shared in the total acreage allotted in 1956.”*

7 INCREASE IN PEANUT MARKETING PENALTIES

8 SEC. 305. Effective beginning with the 1956 crop, sec-
 9 tion 359 (a) of the Agricultural Adjustment Act of 1938,
 10 as amended, is amended by amending the first sentence
 11 thereof to read as follows: “The marketing of any peanuts
 12 in excess of the marketing quota for the farm on which
 13 such peanuts are produced, or the marketing of peanuts
 14 from any farm for which no acreage allotment was deter-
 15 mined, shall be subject to a penalty at a rate equal to 75
 16 per centum of the support price for peanuts for the market-
 17 ing year (August 1–July 31).”

18 COLLECTION OF PEANUT MARKETING PENALTIES

19 SEC. 306. Section 359 of the Agricultural Adjustment
 20 Act of 1938, as amended, is amended by adding two new
 21 subsections as follows:

22 “(d) The person liable for payment or collection of
 23 the penalty provided by this section shall be liable also
 24 for interest thereon at the rate of 6 per centum per annum

1 from the date the penalty becomes due until the date of
2 payment of such penalty.

3 “(e) Until the amount of the penalty provided by this
4 section is paid, a lien on the crop of peanuts with respect
5 to which such penalty is incurred, and on any subsequent
6 crop of peanuts subject to marketing quotas in which the
7 person liable for payment of the penalty has an interest
8 shall be in effect in favor of the United States.”

9 PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

10 SEC. 307. The Agricultural Adjustment Act of 1938,
11 as amended, is amended by inserting after section 376 a new
12 section as follows:

13 “PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

14 “SEC. 377. In any case in which, during any year
15 within the period 1956 to 1959, inclusive, for which acre-
16 age planted to such commodity on any farm is less than
17 the acreage allotment for such farm, the entire acreage
18 allotment for such farm shall be considered for purposes of
19 future *State, county, and* farm acreage allotments to have
20 been planted to such commodity in such year, but only if the
21 owner or operator of such farm notifies the county committee
22 prior to the sixtieth day preceding the beginning of the
23 marketing year for such commodity of his desire to preserve
24 such allotment. This section shall not be applicable in any
25 case in which the amount of the commodity required to be

1 stored to postpone or avoid payment of penalty has been
2 reduced because the allotment was not fully planted.
3 Nothing herein shall be construed to permit the allotment
4 to any other farm of the acreage with respect to which
5 notice is given under this section."

6 ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN
7 AND OTHER FEED GRAINS

8 SEC. 308. (a) Notwithstanding any other provision of
9 law, whenever base acreages are in effect for corn, the Sec-
10 retary shall require, as a condition of eligibility for price
11 support on corn, that the producer (1) devote an acreage
12 of cropland (tilled in normal rotation), at the option of the
13 producer, to either the acreage reserve program for corn
14 (*if such program is in effect*) or the conservation reserve
15 program, equal to 15 per centum of such producer's farm
16 base acreage for corn, and (2) not exceed such farm base
17 acreage for corn: *Provided*, That price support may be
18 made available to any producer who does not meet the
19 foregoing requirements at such level, not in excess of the
20 level of price support to producers who meet such require-
21 ments, as the Secretary determines will facilitate the
22 effective operation of the price support program. Corn
23 acreage allotments shall not be effective for the 1956 crop.

24 (b) Not later than December 15, 1956, the Secretary
25 shall conduct a referendum of producers of corn in 1956 in

1 the commercial corn-producing area to determine whether
2 such producers favor a price-support program as provided
3 in subsection (c) of this section for the 1957 and subse-
4 quent crops in lieu of acreage allotments as provided in the
5 Agricultural Adjustment Act of 1938, as amended, and price
6 support as provided in section 101 of the Agricultural Act of
7 1949, as amended.

8 (c) Notwithstanding any other provision of law, if two-
9 thirds or more of the producers voting in the referendum con-
10 ducted pursuant to subsection (b) hereof favor a price-sup-
11 port program as provided in this subsection (c), no acreage
12 allotment of corn shall be established for the commercial corn-
13 producing area for any county, or for any farm, with respect
14 to the 1957 and subsequent crops, and price support made
15 available for such crops by Commodity Credit Corporation
16 shall be at such level as the Secretary determines will assist
17 producers in marketing corn in the normal channels of trade
18 but not encourage the uneconomic production of corn.

19 (d) Notwithstanding any other provision of law, ~~for each~~
20 ~~of the years 1956 and 1957 in which an acreage reserve pro-~~
21 ~~gram will be in effect for corn,~~ (1) the level of price support
22 *for the 1956 crop and, if an acreage reserve program is in*
23 *effect for corn, for the 1957 crop of corn produced outside*
24 the commercial corn-producing area shall be $82\frac{1}{2}$ per centum
25 of the level of price support for corn produced in the commer-

1 cial corn-producing area, (2) *the level of price support for*
 2 *the 1956 crop of each of the commodities; grain sorghums,*
 3 *barley, rye, and oats, shall be 76 per centum of the parity*
 4 *price for the commodity, and (3) if an acreage reserve pro-*
 5 *gram is in effect for corn, the level of price support for*
 6 *the 1957 crop of each of the commodities, grain sorghums,*
 7 *barley, rye, and oats, shall be a percentage of the parity*
 8 *price for each such the commodity which is 5 percentage*
 9 *points less than the percentage of the parity price announced*
 10 *in advance of the planting season pursuant to section 406 of*
 11 *the Agricultural Act of 1949, as amended, as the level of*
 12 *price support for corn in the commercial corn-producing*
 13 *area. The Secretary shall require as a condition of eligibility*
 14 *for such price support of the 1957 crop of each of such feed*
 15 *grains (corn produced outside the commercial corn-producing*
 16 *area, grain sorghums, barley, rye, and oats) that the pro-*
 17 *ducer (1) except in the case of new feed grain farms,*
 18 *devote an acreage on the farm to either the acreage reserve*
 19 *program for feed grains or the conservation reserve program*
 20 *equal to 15 per centum of the farm base acreage established*
 21 *for such feed grains under section 103 (c) hereof, and (2)*
 22 *not plant a total acreage of such feed grains on the farm in*
 23 *excess of 85 per centum of such farm base acreage for feed*
 24 *grains. The acreage required to be devoted to either the*
 25 *acreage reserve program for feed grains or the conservation*

1 reserve program as a condition of eligibility for price support
 2 for such feed grains shall be in addition to any acreage re-
 3 quired to be devoted to either the acreage reserve program
 4 for corn or the conservation reserve program as a condition
 5 of eligibility for price support for corn produced in the com-
 6 mercial corn-producing area. Notwithstanding any other
 7 provision hereof, the Commodity Credit Corporation shall
 8 make available price support for the 1956 crop of grain
 9 sorghums, barley, rye, and oats at the levels announced
 10 prior to the enactment of this subsection, and for the 1956
 11 crop of corn produced outside the commercial corn-producing
 12 area at 75 per centum of the level for corn produced in the
 13 commercial corn-producing area, to any producer who meets
 14 the requirements of eligibility therefor but who does not meet
 15 the additional requirements for price support prescribed by
 16 this subsection. Notwithstanding the foregoing provisions of
 17 this section—

18 (1) if price support for the 1957 crop of corn is
 19 made available to producers in the commercial corn pro-
 20 ducing area not meeting the requirements of subsection
 21 (a) of this section, price support shall be made available
 22 for the 1957 crop of each of the feed grains (corn pro-
 23 duced outside the commercial area, grain sorghums, bar-
 24 ley, rye, and oats) to producers not meeting the foregoing
 25 requirements of this subsection at a level bearing the same

1 *relationship to the level of price support to producers of*
 2 *such feed grain who meet such requirements as (i) the*
 3 *level of price support for corn to producers in the com-*
 4 *mercial corn producing area not meeting the require-*
 5 *ment of subsection (a) bears to (ii) the level of price*
 6 *support for corn to producers in such area who meet*
 7 *such requirements; and*

8 *(2) if price support for the 1957 crop of corn is not*
 9 *made available to producers in the commercial corn pro-*
 10 *ducing area not meeting the requirements of subsection*
 11 *(a) of this section, price support for the 1957 crop of*
 12 *each of the feed grains (corn produced outside the*
 13 *commercial area, grain sorghums, barley, rye, and oats)*
 14 *may, nevertheless, be made available to any producer who*
 15 *does not meet the requirements of this subsection at such*
 16 *level, not in excess of the level of price support to pro-*
 17 *ducers who meet such requirements, as the Secretary de-*
 18 *termines will facilitate the effective operation of the price*
 19 *support program.*

20 **TITLE IV—FORESTRY PROVISIONS**

21 **ASSISTANCE TO STATES FOR TREE PLANTING AND** 22 **REFORESTATION**

23 **SEC. 401. (a)** The Congress hereby finds and declares
 24 that building up and maintaining a level of timber growing
 25 stocks adequate to meet the Nation's domestic needs for a

1 dependable future supply of industrial wood is essential to
2 the public welfare and security; that assisting in improving
3 and protecting the more than fifty million acres of idle non-
4 Federal and Federal lands for this purpose would not only
5 add to the economic strength of the Nation, but also bring
6 increased public benefits from other values associated with
7 forest cover; and that it is the policy of the Congress that
8 the Secretary of Agriculture in order to encourage, pro-
9 mote, and assure fully adequate future resources of readily
10 available timber should assist the States in undertaking
11 needed programs of tree planting.

12 (b) Any State forester or equivalent State official may
13 submit to the Secretary of Agriculture a plan for forest land
14 tree planting and reforestation for the purpose of effecting
15 the policy hereinbefore stated.

16 (c) When the Secretary of Agriculture has approved the
17 plan, he is hereby authorized and directed to assist the State
18 in carrying out such plan, which assistance may include giv-
19 ing of advice and technical assistance and furnishing financial
20 contributions: *Provided*, That, for the non-Federal forest land
21 tree planting and reforestation, the financial contribution ex-
22 pended by the Federal Government during any fiscal year
23 to assist the State to carry out the plan shall not exceed the
24 amount expended by the State for the same purposes during
25 the same fiscal year, and the Secretary of Agriculture is au-

1 thorized to make financial contributions on the certificate of
2 the State official in charge of the administration of the plan
3 as to the amount of expenditures made by the State.

4 (d) In any plan that coordinates forest lands under the
5 jurisdiction of any Federal agency other than the Depart-
6 ment of Agriculture, the Secretary of Agriculture shall ob-
7 tain the cooperation and assistance of the Federal agency
8 having jurisdiction and the appropriate State forester in the
9 approval and carrying out of the plan.

10 (e) The Secretary of Agriculture may prescribe such
11 rules and regulations as may be appropriate to carry out the
12 purposes of this section.

13 (f) There are hereby authorized to be appropriated such
14 sums as may be necessary to carry out the objects of this
15 section, such sums to remain available until expended.

16 *FOREST PRODUCTS; PRICE REPORTING; RESEARCH*

17 *SEC. 402. (a) For the purposes of improving the*
18 *management and use of forest resources and in order to*
19 *provide farmers and other owners of small forest properties*
20 *with current information on markets and prices and to aid*
21 *them in more efficiently and profitably marketing forest*
22 *products, the Secretary of Agriculture is hereby authorized*
23 *and directed to establish a price reporting service for basic*
24 *forest products, including but not limited to standing timber*
25 *and cut forest products such as sawlogs and pulpwood.*

1 (b) The price reports made by the Secretary under
2 subsection (a) shall be as to such species, grades, sizes, and
3 other detail, and shall be made at such intervals, but at
4 least quarterly, as he deems appropriate. Such reports shall
5 be by State or forest regions or by such other areas as the
6 Secretary considers advisable, and may, in his discretion,
7 be made as to one or more areas in advance of other areas.

8 (c) In connection with the gathering of price informa-
9 tion and the dissemination thereof, the Secretary is authorized
10 to cooperate with the State foresters or other appropriate
11 State officials or agencies, as well as with private agencies,
12 and under such conditions and terms as he may deem appro-
13 priate.

14 (d) The Secretary of Agriculture shall make a study of
15 price trends and relationships for basic forest products such
16 as sawlogs and pulpwood and within two years from the
17 date of enactment of this Act shall submit a report thereon
18 to the Congress.

19 (e) In the conduct of research activities under the Act
20 of May 22, 1928 (45 Stat. 699), and the Act of August 14,
21 1946, title II (60 Stat. 1087), the Secretary of Agriculture
22 is directed to conduct and stimulate research and investiga-
23 tions aimed at developing and demonstrating standards of
24 quality, collecting and disseminating useful market informa-
25 tion and developing methods for increasing the efficiency of

1 the marketing and distribution processes for forest products
 2 as a means of increasing returns to farmers and other owners
 3 of forest properties.

4 (f) The Secretary of Agriculture is authorized to issue
 5 such regulations as he deems appropriate in carrying out the
 6 provisions of this section.

7 (g) There are hereby authorized to be appropriated for
 8 the purposes of this section such sums as may be necessary.

9 TITLE V—CERTIFICATE PROGRAM FOR RICE

10 SEC. 501. Title III of the Agricultural Adjustment Act
 11 of 1938, as amended, is amended (1) by changing the design-
 12 nation thereof to read as follows: "TITLE III—LOANS,
 13 PARITY PAYMENTS, CONSUMER SAFEGUARDS,
 14 MARKETING QUOTAS, AND MARKETING CER-
 15 TIFICATES"; (2) by changing the designation of subtitle
 16 D thereof to read as follows: "SUBTITLE E—MISCEL-
 17 LANEOUS PROVISIONS AND APPROPRIATIONS"; and (3)
 18 by inserting after subtitle C a new subtitle D, as follows:

19 "SUBTITLE D—RICE CERTIFICATES

20 "LEGISLATIVE FINDINGS

21 "SEC. 380a. The movement of rice from producer to
 22 consumer is preponderantly in interstate and foreign com-
 23 merce, and the small quantity of rice which does not move in
 24 interstate or foreign commerce affects such commerce. In
 25 order to provide an adequate and balanced flow of rice in

1 interstate and foreign commerce and to assure consumers
 2 an adequate and steady supply of rice at fair prices it is
 3 necessary to regulate all commerce in rice in the manner
 4 provided in this subtitle. These findings are supplemental
 5 to and in addition to the findings contained in section 351
 6 of this Act.

7 *“EFFECTIVE DATE AND TERMINATION*

8 *“SEC. 380b. Sections 380c through 380g (c) shall be*
 9 *effective beginning with the first crop of rice, subsequent to*
 10 *the 1956 crop and prior to the 1959 crop, for which the Sec-*
 11 *retary determines and proclaims that the initiation of a pro-*
 12 *gram under this subtitle is administratively feasible and in the*
 13 *best interests of rice producers and the United States. Unless*
 14 *extended by law, the provisions of this subtitle shall not apply*
 15 *to rice of any crop following the second crop for which a*
 16 *program is in effect under sections 380c and 380g (c).*

17 *“RICE PRIMARY MARKET QUOTA*

18 *“SEC. 380c. Not later than December 31 of each year,*
 19 *the Secretary shall determine and proclaim the primary*
 20 *market quota for rice for the marketing year beginning in*
 21 *the next calendar year. The primary market quota shall be*
 22 *the number of hundredweights of rice (on a rough rice basis)*
 23 *which the Secretary determines will be consumed in the United*
 24 *States (including its Territories and possessions and the*
 25 *Commonwealth of Puerto Rico) or exported to Cuba, during*

1 such marketing year. In making this determination the Sec-
2 retary shall consider the historical consumption in these
3 markets of rice produced in the United States and any
4 expected enlargement in such consumption predicated upon
5 population trends, increased per capita consumption, and
6 other relevant factors.

7 "APPORTIONMENT OF PRIMARY MARKET QUOTA

8 "SEC. 380d. (a) The primary market quota for rice
9 shall be apportioned by the Secretary among the several States
10 on the basis of the average yield per acre of rice in each
11 State during the three years immediately preceding the year
12 for which the quota is proclaimed (or in the case of the
13 apportionment for 1957, during the two years preceding
14 such year) multiplied by the acreage allotment of such State
15 for such year.

16 "(b) The State primary market quota shall be appor-
17 tioned by the Secretary among farms on the basis of the
18 acreage allotment established for each farm multiplied by
19 the normal yield per acre for the farm.

20 "REVIEW OF PRIMARY MARKET QUOTA

21 "SEC. 380e. Notice of the primary market quota shall
22 be mailed to the operator of the farm to which such quota
23 applies. The farm operator may have such quota reviewed
24 in accordance with the provisions of sections 363 to 368,
25 inclusive, of this Act.

1 “PRICE SUPPORT

2 “SEC. 380f. (a) Notwithstanding any other provision
3 of law, the Commodity Credit Corporation shall make price
4 support available to cooperators through loans, purchases,
5 or other operations on any crop of rice for which a program
6 is in effect under sections 380c through 380g (c) at such
7 level, not less than 50 per centum or more than 90 per centum
8 of the parity price therefor, as the Secretary determines will
9 not discourage or prevent the exportation of rice produced
10 in the United States.

11 “(b) Section 101 of the Agricultural Act of 1949, as
12 amended, shall not apply to price support made available
13 on rice of any crop to which this section is applicable, but
14 all the other provisions of such Act, to the extent not incon-
15 sistent with this subtitle, shall apply to price support opera-
16 tions carried out under this section.

17 “CERTIFICATES

18 “SEC. 380g. (a) The Secretary of Agriculture shall for
19 each marketing year issue certificates to coöperators for a
20 quantity of rice equal to the primary marketing quota for the
21 farm for such marketing year, but not exceeding the normal
22 yield of the acreage planted to rice on the farm. The certifi-
23 cate shall have the value specified in subsection (e) of this
24 section.

25 “(b) The landlord, tenants, and sharecroppers on the

1 farm shall share in the certificates issued with respect to the
 2 farm in the same proportion as they share in the rice pro-
 3 duced on the farm or the proceeds therefrom.

4 “(c) The provisions of section 385 of this Act shall be
 5 applicable to certificates issued to producers under this section.

6 “(d) The Commodity Credit Corporation shall issue and
 7 sell certificates to persons engaged in the processing of rough
 8 rice or the importing of processed rice. Each such certificate
 9 shall be sold for an amount equal to the value thereof, as
 10 specified in subsection (e) of this section.

11 “(e) The value of each certificate issued under this sec-
 12 tion shall be equal to the difference between 90 per centum
 13 of the parity price of rice as of the beginning of the marketing
 14 year for which the certificate is issued and the level of price
 15 support for rice which is in effect during such marketing
 16 year, calculated to the nearest cent, multiplied by the quantity
 17 of rice for which the certificate is issued. Any certificates not
 18 used to cover the processing of rice or the importation of
 19 processed rice pursuant to sections 380k and 380l of this
 20 Act shall be redeemed by the Commodity Credit Corporation
 21 at the value thereof.

22 “INVENTORY ADJUSTMENT PAYMENTS

23 “SEC. 380h. To facilitate the transition from the price
 24 support program currently in effect to the program provided
 25 for in this subtitle, the Commodity Credit Corporation shall

1 make inventory adjustment payments to all persons owning
2 rough rice located in the continental United States as of the
3 beginning of the marketing year for the first crop of rice
4 for which a program is in effect under sections 380c through
5 380g (c): Provided, however, That such payments shall not
6 be made with respect to rice of such crop, imported rice, or
7 rice acquired from Commodity Credit Corporation. The
8 amount of such payment per hundredweight shall be the
9 amount by which the estimated average price paid producers
10 during the marketing year for the preceeding crop exceeds
11 the estimated average support price for the first crop for
12 which a program is made efective. There are hereby author-
13 ized to be appropriated such sums as may be necessary to
14 make payment to Commodity Credit Corporation for ex-
15 penditures pursuant to this section.

16 "RICE SET-ASIDE

17 "SEC. 380i. All rough and processed rice in the inven-
18 tories of Commodity Credit Corporation as of sixty days after
19 the beginning of the marketing year for the first crop for which
20 a program is in effect under sections 380c through 380 g (c),
21 not exceeding twenty million hundredweight of rough rice or
22 its equivalent in processed rice may be transferred to and be
23 made a part of the commodity set-aside of rice established pur-
24 suant to section 101 of the Agricultural Act of 1954.

1 “EXEMPTIONS

2 “SEC. 380j. *The provisions of this subtitle shall not ap-*
3 *ply to nonirrigated rice produced on any farm on which the*
4 *acreage planted to nonirrigated rice does not exceed three*
5 *acres, and the provisions of sections 380c through 380g (c)*
6 *shall not apply to rice produced in Puerto Rico or Hawaii.*

7 “PROCESSING RESTRICTIONS

8 “SEC. 380k. (a) *Each person who on or after the*
9 *beginning of the marketing year for the first crop for which*
10 *a program is in effect under sections 380c through 380g (c),*
11 *engages in the processing of rough rice in the United States*
12 *shall, upon processing any quantity of rough rice, acquire*
13 *certificates issued under section 380g of this Act in an amount*
14 *sufficient to cover such quantity of rough rice.*

15 “(b) *The requirements of subsection (a) of this section*
16 *shall not be applicable to the processing in Puerto Rico or*
17 *Hawaii of rough rice grown in Puerto Rico or Hawaii,*
18 *respectively.*

19 “(c) *Upon the exportation from the United States to*
20 *any country other than Cuba of any processed rice with re-*
21 *spect to which certificates were acquired in accordance with*
22 *the requirements of subsection (a) of this section or section*
23 *380l, the Commodity Credit Corporation shall pay to the*
24 *exporter an amount equal to the value of the certificates for*
25 *the rough rice equivalent of such processed rice.*

1 “IMPORT RESTRICTIONS

2 “SEC. 380l. *Each person who, on or after the beginning*
3 *of the marketing year for the first crop for which a program*
4 *is in effect under sections 380c through 380g (c), imports*
5 *processed rice into the United States shall acquire certificates*
6 *issued under section 380g of this Act covering the rough rice*
7 *equivalent of such processed rice.*

8 “REGULATIONS

9 “SEC. 380m. *The Secretary shall prescribe regulations*
10 *governing the issuance, redemption, acquisition, use, transfer,*
11 *and disposition of certificates hereunder.*

12 “CIVIL PENALTIES

13 “SEC. 380n. *Any person who violates or attempts to*
14 *violate, or who participates or aids in the violation of, any*
15 *of the provisions of sections 380k or 380l of this Act, or*
16 *regulations prescribed by the Secretary for the enforcement*
17 *of such provisions, shall forfeit to the United States a sum*
18 *equal to three times the market value, at the time of the*
19 *commission of such act, of the product involved in such vio-*
20 *lation. Such forfeiture shall be recoverable in a civil suit*
21 *brought in the name of the United States.*

22 “REPORTS AND RECORDS

23 “SEC. 380o. (a) *The provisions of section 373 (a)*
24 *of this Act shall apply to all persons, except rice producers,*
25 *who are subject to the provisions of this subtitle, except that*

1 any such person failing to make any report or keep any
 2 record as required by this section or making any false report
 3 or record shall be deemed guilty of a misdemeanor and upon
 4 conviction thereof shall be subject to a fine of not more than
 5 \$2,000 for each such violation.

6 “(b) The provisions of section 373 (b) of the Act shall
 7 apply to all rice farmers who are subject to the provisions of
 8 this subtitle.

9 “DEFINITIONS

10 “SEC. 380p. For the purposes of this subtitle—

11 “(a) ‘cooperator’ shall have the same meaning as
 12 under the Agricultural Act of 1949, as amended.

13 “(b) ‘processing of rough rice’ means subjecting
 14 rough rice for the first time to any process which re-
 15 moves the husk or hull from the rice and results in the
 16 production of processed rice.

17 “(c) ‘processed rice’ means any rice from which
 18 the husk or hull has been removed and includes, but is
 19 not limited to—

20 “(1) whole grain rice,

21 “(2) second head milled rice,

22 “(3) screenings milled rice,

23 “(4) brewers milled rice,

24 “(5) undermilled rice or unpolished rice,

25 “(6) brown rice,

“(7) converted rice, malekized rice or par-boiled rice, and

“(8) vitaminized rice or enriched rice.

“(d) ‘United States’ means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

“(e) ‘exporter’ means the consignor named in the bill of lading under which the processed rice is exported: Provided, however, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

“(f) ‘rough rice equivalent’ means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

“(g) ‘import’ means to enter, or withdraw from warehouse, for consumption.”

NORMAL YIELD FOR RICE

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as sub-

1 paragraph (G); and (2) striking out subparagraph (D)
2 and inserting in lieu thereof the following:

3 “(D) ‘Normal yield’ for any county, in the case of rice,
4 shall be the average yield per acre of rice for the county
5 during the five calendar years immediately preceding the year
6 for which such normal yield is determined, adjusted for
7 abnormal weather conditions and for trends in yields. If
8 for any such year data are not available, or there is no actual
9 yield, an appraised yield for such year, determined in accord-
10 ance with regulations issued by the Secretary, taking into con-
11 sideration the yields obtained in surrounding counties during
12 such year and the yield in years for which data are available,
13 shall be used as the actual yield for such year.

14 “(E) ‘Normal yield’ for any farm, in the case of rice,
15 shall be the average yield per acre of rice for the farm during
16 the five calendar years immediately preceding the year for
17 which such normal yield is determined, adjusted for abnormal
18 weather conditions and for trends in yields. If for any
19 such year the data are not available or there is no actual
20 yield, then the normal yield for the farm shall be appraised
21 in accordance with regulations issued by the Secretary, tak-
22 ing into consideration abnormal weather conditions, trends in
23 yields, the normal yield for the county, the yields obtained on
24 adjacent farms during such year and the yield in years for
25 which data are available.

1 “(F) In applying subparagraphs (D) and (E), if on
 2 account of drought, flood, insect pests, plant disease, or other
 3 uncontrollable natural cause, the yield for any year of such
 4 five-year period is less than 75 per centum of the average,
 5 75 per centum of such average shall be substituted therefor
 6 in calculating the normal yield per acre. If, on account of
 7 abnormally favorable weather conditions, the yield for any
 8 year of such five-year period is in excess of 125 per centum
 9 of the average, 125 per centum of such average shall be sub-
 10 stituted therefor in calculating the normal yield per acre.”

11 TITLE VI—MISCELLANEOUS

12 PRICE SUPPORTS—COTTONSEED AND SOYBEANS

13 SEC. 601. (a) Title II of the Agricultural Act of
 14 1949, as amended, is amended by adding at the end thereof
 15 a new section as follows:

16 “SEC. 203. Whenever the price of either cottonseed or
 17 soybeans is supported under this Act, the price of the other
 18 shall be supported at such level as the Secretary determines
 19 will cause them to compete on equal terms on the market.”

20 (b) The amendment made by this section shall take
 21 effect with the 1956 crop.

22 TRANSITIONAL PARITY FOR BASIC COMMODITIES FROZEN

23 DURING 1957 AND 1958

24 SEC. 602. Section 301 (a) (1) (E) (ii) of the Agri-
 25 cultural Adjustment Act of 1938, as amended (7 U. S. C.

1 1301 (a) (1) (E) (ii)) is amended by inserting after
2 “full calendar years” the following: “(not counting 1956 or
3 1957 in the case of basic agricultural commodities)”. The
4 Secretary shall make a thorough study of possible methods
5 of improving the parity formula and report thereon, with
6 specific recommendations, including drafts of necessary legis-
7 lation to carry out such recommendations, to Congress not
8 later than January 31, 1957.

Passed the House of Representatives May 3, 1956.

Attest:

RALPH R. ROBERTS,

Clerk.

Calendar No. 1983

84TH CONGRESS
2^D SESSION

H. R. 10875

[Report No. 1966]

AN ACT

To enact the Agricultural Act of 1956.

MAY 7, 1956

Read twice and referred to the Committee on
Agriculture and Forestry

MAY 11, 1956

Reported with amendments

Digest of CONGRESSIONAL PROCEEDING

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

May 16
May 15
84th-2nd, 1

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HIGHLIGHTS: House subcommittee ordered reported bill to permit certain cotton futures contracts. Majority Leader Johnson announced that farm bill will be up on Wed., and disposed of by Thurs., that conference report on second supplemental appropriation will be considered by Senate today; and that USDA appropriation bill should be reported next week. Senate committee reported bill to housing program. Rep. Metcalf criticized this Department's loan policies.

SENATE

1. FARM PROGRAM. Majority Leader Johnson announced that H. R. 10875, the farm bill will be taken up after completion of pending business on Wed., and it is expected that action can be completed on the bill by Thurs. pp. 7296, 7309, D47
Sen. Humphrey criticized the agricultural situation in the Midwest and inserted a survey of a trade magazine among bankers indicating the effect on farmers' purchasing power on small town and city merchants. p. 7312
Sen. Mundt submitted an amendment intended to be proposed to the floor. p. 7291
2. APPROPRIATIONS. Majority Leader Johnson announced that he expected the report on the second supplemental appropriation bill will be brought before the Senate for consideration today; and that the Appropriations Committee expected to report the USDA appropriation bill sometime next week. p. 7296
3. HOUSING; FARM LOANS. The Banking and Currency Committee reported S. 385 on the housing program, including an extension of the farm housing program for 5 years. (S. Rept. 2005). p. 7288

4. ELECTRIFICATION. Continued debate on S. 1823, to authorize the construction of works of improvement in the Niagara River for power and other purposes.
5. FOREIGN TRADE. Sen. Martin inserted a statement to the President by the non-governmental advisers to the U. S. delegation negotiating tariff agreements in Geneva, May 4, 1956, and a review by the U. S. Representative to the Economic and Social Council on the annual report of the International Monetary Fund for 1955. p. 7292
6. RECLAMATION. The Interior and Insular Affairs Committee ordered reported the following bills without amendment: p. D476
S. 3101, to authorize the construction of the Crooked River Federal reclamation project in Oregon;
H. R. 1779, to authorize the construction of the Wapinitia project in Oregon.

HOUSE

7. COTTON. The Cotton Subcommittee of the Agriculture Committee ordered reported to the full committee H. R. 9333, to amend the Commodity Exchange Act to give to certain consuming processors of cotton the privilege of buying cotton futures contracts in certain cases. p. D477

ITEMS IN APPENDIX

8. WHEAT. Sen. Langer inserted a newspaper article, "Revolt In The wheatfields Is An Old Dakota Story", describing functions of the N. Dak. Non-Partisan League. p. A3915
Sen. Langer inserted a newspaper article stating that George Brigner, Dunn County, N. Dak., farmer, was found innocent of a charge of using threats to rob Government officials of a grain marketing card in September 1954. p. A3917
9. FOREIGN TRADE. Rep. Kean inserted a statement made by members of the board of trustees of the U. S. Council of the International Chamber of Commerce urging approval of U. S. membership in the Organization for Trade Cooperation. p. A39.
10. AGRICULTURAL APPROPRIATIONS. Speeches in the House, during debate on this Department's appropriation bill of Reps. Cramer, Donohue and Haley. pp. A3922, A3924, A3925
11. FHA; FARM LOANS. Extension of remarks of Rep. Metcalf stating that "I, too, have had reports which have been a source of concern. Valid complaints about the harshness of Farmers' Home Administration collection policies...". p. A3945
12. WILDLIFE. Rep. Johnson, Wis., inserted former Secretary of the Interior McKay's statement concerning his side of the controversy over the Department of the Interior order permitting oil and gas drilling on wildlife refuges. p. A3925
Rep. Johnson, Wis., inserted a magazine article describing the House Merchant Marine and Fisheries Committee report on the Interior Department's oil and gas leasing order. p. A3927
13. TARIFFS. Rep. Kean inserted the statement made to the President by the nongovernmental advisers to the U. S. delegation negotiating tariff agreements in Geneva. p. A3930

should require that preference be given to municipally owned distributing and producing organizations and to cooperatives. This appears to be impractical because 98 percent of the consumers in the State receive their power from private utilities and only 2 percent from municipally owned utilities and cooperatives. These 2 percent cannot be given an absolute preference over the 98 percent because they are scattered all over the State, many of them hundreds of miles from the site where the power is produced, so that the cost of transmission would be prohibitive.

These observations by Mr. Moses are wholly consistent with my own views on this important matter—and are based upon his personal experience.

Is it any wonder under these circumstances that an overwhelming majority of the people in the area to be served are vigorously opposed to S. 1823 and have expressed clearly a desire that Niagara power be developed by private enterprise? Statewide organizations including every segment of the economy have continually urged successive Congresses to oppose similar legislation and approve private development.

Among these organizations are the following: The New York State Federation of Labor, the Independent Brotherhood of Electrical Workers, the CIO Utility Workers of America, the New York State Farm Bureau Federation, the New York State Grange, the Empire State Chamber of Commerce, the Association of Towns in the State of New York, the Association of County Supervisors in the State of New York, and the Associated Industries in the State of New York.

In this connection, because it is so pertinent, let me say that only the other day I received a letter which I should like to read into the RECORD. It came to me from Mr. Harold C. Hanover, secretary-treasurer of the New York State Federation of Labor. The letter is dated April 26, 1956, and reads as follows:

NEW YORK STATE FEDERATION OF LABOR,
Albany, N. Y., April 26, 1956.

HON. IRVING M. IVES,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: It has been brought to our attention that you are interested in the communication which we addressed on May 14, 1953, to Hon. GEORGE DONDERO, chairman of the House Committee on Public Works, with reference to the proposed development of power resources of Niagara River, Niagara Falls, N. Y.

I shall not read the letter to Representative DONDERO, of which I have a copy. I do not think it is necessary. I think Mr. Hanover's letter is quite conclusive. I continue quoting from the letter from Mr. Hanover:

Herewith I enclose a copy of that letter, which is also noted in the CONGRESSIONAL RECORD, and rather than supply you with a duplicate addressed to you, I felt that you would like to have the letter as it exists, and to say to you that insofar as a great majority of our membership in the State of New York are concerned—

That is, the New York State Federation of Labor—

We have felt from the very beginning that this work should progress under private auspices both from an economy standpoint to our citizens and from the maintenance of

private employment by the several companies involved.

Our position is amply borne out by a good look at what is transpiring on the St. Lawrence River under the auspices of the power authority of the State of New York. Many who have thought that this development would rebound to the benefit of the average homeowner and consumer of electricity are now beginning to express genuine doubt as to the real worth of a power authority in this State.

Frankly, our average citizen knows little or nothing about what is to transpire under this power authority and misgivings are expressed as articles are read in the public press citing contracts with private corporations at a rate which is not publicized, and the negotiation of further contracts with corporations and with adjoining States. I might add here that the sentiments conveyed in our letter to Mr. DONDERO are just as true today as they were when written. In fact more so, for we have seen borne out in reality the statements which we made at that time.

We do not feel that the consumers of electricity in New York State will pay more through private construction and management of the facilities of the Niagara River. As a matter of fact, we feel that in the long run the citizens will be paying less because the amount of taxes paid by these companies will serve to offset much of the hidden increase in taxes imposed upon them were the project to be done by the power authority.

As we have repeatedly pointed out, if a question of rate per kilowatt hour is of paramount importance, we have a public service commission in the State of New York who are thoroughly competent to readjust rates of electrical energy so that our citizens in all parts of the State would be paying on a fair basis.

In conclusion you may have gathered by now that we feel very strongly on this point, and we want to assure you that we have been steadfast in this thought and sincerely hope that in your approach to this problem in the near future you will be able to take the long view of this highly controversial problem, and we want to assure you that, should you take the viewpoint we have set forth you will have our utmost support.

With sincere personal regards.

Cordially yours,

HAROLD C. HANOVER,
Secretary Treasurer.

In this connection, Mr. President, I am constrained to observe that my colleague in his remarks yesterday, to which I was unable to listen but which I have read very carefully in the RECORD, emphasized the fact that the overwhelming majority of the people of the State of New York are in favor of his bill.

I doubt that. I wish it would have been possible to hold a referendum to ascertain how the people of the State of New York stand on the question. However, the organizations I have listed, and many other which I could list, constitute not only hundreds of thousands of residents of New York State, but in their influence and in their actions represent millions of people of that State.

I do not believe there is any justification whatever for my colleague's remarks regarding the sentiment on this question in the State of New York.

He also brought up the question of the campaigns in which he has been engaged, and the campaign of 1954, in which I was engaged. He referred particularly to that campaign. I wish to point out that at no time during the campaign of 1954 did I mention the

Niagara redevelopment, so far as I can recall, and at no time did my opponents do so. That was not an issue in the campaign, nor has it been an issue in any campaign in which I have been engaged in the State of New York.

As everyone knows, or as everyone should know, I myself have stood for the State development of hydroelectric power at Niagara Falls, but not by any means on the basis proposed by my colleague from New York. I am in utter disagreement with him on that question.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at the close of my remarks, letters I have received from the Utility Workers of America, CIO, the New York State Grange, and the New York Farm Bureau.

I am asking that the letters be printed in the RECORD because they are of more recent date than many others I have received which I could also put in the RECORD.

THE PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibits 1, 2, and 3.)

MR. IVES. Mr. President, recent polls conducted by area Members of the House of Representatives—and this is very important—have shown that 75 percent of the constituents replying opposed S. 1823 and favored private development.

Under the circumstances which I have stated, I strongly urge the Senate to reject S. 1823. Its provisions would require my State to pursue a course which it cannot pursue under existing laws and policies, and which it does not desire to pursue.

If any Senator has any questions to ask, I shall be glad to yield for that purpose. Otherwise, I yield the floor.

EXHIBIT 1

UTILITY WORKERS UNION
OF AMERICA, CIO,

New York, N. Y., April 2, 1956.

HON. IRVING M. IVES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: In view of the action of the Senate Public Works Committee in reporting out the Lehman bill providing for construction by the State of New York of the hydroelectric installation at Niagara Falls, we want to advise you of our interest.

On many prior occasions, we have had the opportunity of informing you of our opposition to either State or Federal Government construction of the project, and you know that we have testified before the Senate and the House of Representatives in favor of the Capehart, Miller, Martin, and Dondero bills.

May we, therefore, take this opportunity, once again, of assuring you of our unalterable opposition to any legislation that will result in making our present and future members government employees. We want the advantages of labor legislation presently enjoyed by us maintained and passed on to our children.

Respectfully yours,
ANDREW J. McMAHON,
President.

EXHIBIT 2

NEW YORK STATE GRANGE,
Brasher Falls, N. Y., April 25, 1956.

HON. SENATOR IRVING IVES,
Washington, D. C.

DEAR SENATOR IVES: It has come to my attention that the matter of public versus private development of the electrical power

at Niagara Falls is again to be considered. We of New York State Grange, 130,000 of us, want you to know that we stand solidly for development of that power to the fullest extent by private industry. It would seem to us that in all of the debates on the question that the wishes of the people outside of the city of New York were being bypassed.

We feel that government has too much to say regarding how our money shall be spent, and in this particular case we cannot sit idly by and see such a development take place, in which case there would not be any compensatory taxes levied to help pay the bills incurred.

Surely in these times of diminishing returns for agricultural products it would seem to us that any such contemplated project should be handled as far as possible by private capital so that the project itself as well as the returns from it would be taxed to help defray operating expenses of our local, State and National Government.

We cannot see why the power from this project should be thrown on the market, tax free, to compete with power that has to pay taxes. We are expressly opposed to the preferential clause in the Lehman bill.

As you know we are an organization representing a cross section of the people of New York State. We therefore urge that you do all that you possibly can to obtain passage of a bill that will permit construction and operation of Niagara Power by private capital.

For your information I am sending a resolution adopted at our 1955 session of the State grange at Rochester the vote on which was unanimous. I might also add that similar resolutions have been presented for the past number of years and always have passed the delegate body in the same way.

Yours sincerely,

LELAND D. SMITH,
Master, New York State Grange.

EXHIBIT 3

NEW YORK FARM BUREAU,
Ithaca, N. Y., April 2, 1956.

Senator IRVING M. IVES,
Senate Office Building,

Washington, D. C.

DEAR SENATOR IVES: I am taking this opportunity to again reemphasize the policy of New York Farm Bureau in connection with the much debated Niagara power issue. By official action of the delegate body of New York Farm Bureau, our organization favors development of Niagara power by private enterprise.

Private enterprise, which has made our country great, cannot be strengthened by Government siphoning off the functions that private enterprise can and is willing to perform under private capital.

It is a well-established fact that the hydroelectric power in Niagara Falls is economically sound and can pay its way under private enterprise without Government subsidy, and without preference to any group of consumers. It is evident that Government's advantage in developing Niagara would lie largely in tax exemption. However, our country wasn't built on tax exemption, nor will it be strengthened by tax exemption. Under Government development the whole scheme of preferential treatment of municipalities and REA cooperatives is unsound and is nothing short of a vote-buying device.

We have not wavered in our conviction that Niagara should be developed by private enterprise.

Sincerely,

P. S. FOSTER,
Executive Secretary.

BIRTHDAY CONGRATULATIONS TO SENATOR BUSH

During the delivery of Mr. IVES' speech, Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. JOHNSON of Texas. I wish to congratulate the distinguished Presiding Officer [Mr. BUSH] on his birthday. I hope he will have many more. All of us have great respect and affection for the Senator from Connecticut, and I express to him the congratulations and best wishes of all Members of the majority. That does not carry over into November, but it certainly applies during the sessions of the Senate in the 84th Congress.

The PRESIDING OFFICER (Mr. BUSH in the chair). The Chair hopes it is not out of order for the Presiding Officer to acknowledge this gracious statement.

Mr. IVES. Mr. President, I join in tendering congratulations to the Presiding Officer, and paying him tribute. I did not know it was his birthday, although I talked with him earlier in the day.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, it is hoped that we may be able to enter into a unanimous-consent agreement to vote on the pending bill some time tomorrow.

Following the disposition of the pending business it is the plan of the leadership to have the Senate proceed to the consideration of the farm bill, and perhaps conclude the consideration of that bill on either Thursday or Friday.

The Senate has already disposed of the urgent deficiency bill for 1956 and the Treasury and Post Office appropriation bill.

It is expected that the conference report on the second supplemental appropriation bill will be brought before the Senate tomorrow, after the morning business.

The Interior Department appropriation bill has already been passed by the Senate, and it is hoped that the Senate may be able to act on the conference report on that bill as soon as agreement is reached by the conference committee.

The leadership is informed that the Committee on Appropriations expects to report the agricultural, District of Columbia, General Government matters, independent offices, and Commerce Department appropriation bills some time during the week of May 18 to 25.

The State-Justice-judiciary appropriation bill is now before the committee and hearings on it are being held both mornings and afternoons. I am chairman of the subcommittee, and I hope we may have that bill before the Senate by the end of the month.

The public works appropriation bill will be reported to the Senate some time next month.

We have not yet started hearings on the Mutual Security appropriation bill, because authorizing legislation must be considered first. Of course, we will also

have the legislative and supplemental appropriation bills at a later date.

The Committee on Appropriations is to be commended on the progress it has made on the various appropriation bills. I am hopeful the committee will soon be able to mark up and submit final reports of the bills I have enumerated.

I make this announcement at this time so that Members of the Senate who are interested in action being taken by the Committee on Appropriations may be informed that the Senate will take up the appropriation bills as soon as they are reported.

The Senate will also consider a social-security bill, which will be reported by the Committee on Finance. There will also be a number of housing bills and a number of other bills which have been placed on the calendar during the past few days.

I shall confer with the minority leader before making a definite announcement, but it is anticipated that there will be a call of the calendar on Monday next.

Mr. IVES. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I am delighted to yield to the Senator from New York.

Mr. IVES. I wonder whether the Senator could enlighten us as to his plan with reference to the highway bill.

Mr. JOHNSON of Texas. That is another very important piece of proposed legislation, and we expect to act on it very promptly as soon as the Committee on Finance acts on the tax title of the bill, which it is now considering.

I thank my good friend from New York for calling that bill to my attention. It is a very important piece of legislation. The Senator from Virginia [Mr. BYRD] and his committee have been carrying a very heavy load this year with tax, social security, and sugar legislation. As soon as his committee is ready to report the highway bill, the Senate will take it up.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The CHIEF CLERK. On page 1, line 4, after the word "in", it is proposed to strike out "ratifying" and insert "giving its advice and consent to the ratification of."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ence of the two Houses on the bill (H. R. 1637) for the relief of Sam H. Ray, vice Mr. LANE, excused.

The message also notified the Senate that Mr. DONOHUE had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945, vice Mr. LANE, excused.

ENROLLED BILLS SIGNED

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say that I have conferred with the minority leader, and it is our purpose to complete action on the Niagara power bill tomorrow. If all the time allowed is used on the amendments and on the bill, it may be necessary to continue in session until a late hour, but tentative arrangements have been made with the distinguished chairman of the Committee on Agriculture to follow the pending bill with the farm bill. We hope to dispose of that bill on Thursday, if possible. Therefore, I desire that all Senators be on notice that we intend that the Senate remain in session until we complete action on the pending bill tomorrow evening, if it is at all possible.

APPEAL OF SENATOR WILEY, FOR FUNDS FOR NATIONAL INVENTORS COUNCIL

Mr. WILEY. Mr. President, the Senate Appropriations Committee now has under consideration a small but immensely significant appropriation request. It is for \$90,000 for the National Inventors Council—an advisory unit in the Department of Commerce.

I have appealed this year, as I have appealed in many preceding years, for funds for this Council.

I ask unanimous consent that the text of a letter which I addressed to the committee, urging this allocation be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 11, 1956.

Re: Recommendations of \$90,000 for National Inventors Council.

The Honorable SPESSARD HOLLAND,
United States Senate, Chairman, Department of Commerce Subcommittee,
Senate Appropriations Committee,
Senate Office Building, Washington,
D. C.

MY DEAR MR. CHAIRMAN: Your subcommittee has just received the testimony of Mr. John C. Green, Director of the Office of Technical Services, of the Department of Commerce, respectfully urging \$90,000 for the 1957 fiscal year appropriation for the National Inventors Council.

I would like to underline most emphatically Mr. Green's statement.

One can hardly think of a single modest appropriation for our entire defense-industrial establishment, which potentially can pay more handsome dividends to our country than this small \$90,000 request.

Down through the years, I have been in close contact with the Council, and have been tremendously impressed with how much it has done with so very little.

Its record of achievement during World War II is of course particularly noteworthy.

But even since the war, while inventive ideas forwarded to it from the general public have naturally declined in number, it has compiled, time after time, invaluable suggestions to pass along to the Armed Forces.

The Council itself is, as your subcommittee may know, benefited by the presence of a number of truly outstanding Americans whose combined services virtually no private company could possibly afford.

With their splendid help, the flood of incoming ideas is most carefully sifted, for forwarding thereafter to the appropriate governmental unit.

The \$90,000 requested would actually merely be a continuation of the status quo, since \$50,000 is currently being supplied to the Council through the Pentagon (over and above the Council's own insignificant \$40,000). But the \$50,000 figure should be authorized directly by the Congress to the Council, it seems to me without having to be reallocated from the military budget.

Mr. Green has conservatively estimated that by November of this year, the Council's workload would be approaching 21,000 items a year, out of which perhaps 85 would find their way into productive use. A single one of that estimated 85 could repay the \$90,000 many fold. Surely, therefore, we will make available the necessary funds for an adequate Council staff and facilities. Surely, with American-intensifying the competitive arms-industrial race with the Soviet Union, we will not fail to top the inventive genius of America.

And so, I do hope therefore, that you and your colleagues will act favorably on behalf of this \$90,000 item.

I should like to ask that the text of this letter be printed in the body of the printed hearings of your committee.

Thanking you, and with best regards, I am

Sincerely yours,

ALEXANDER WILEY.

PLANS FOR JUNE, DAIRY MONTH

Mr. WILEY. Mr. President, all over the State of Wisconsin intensive plans are being made for the celebration of June, Dairy Month, for making it the greatest success which even our own

dairy-conscious State has ever achieved. Last year, the farmers of my State sold 15½ billion—I said "billion"—pounds of milk. The total of the cash receipts from milk sold, and the value of milk which they used on their own farms, was \$516,318,000. It is only natural, therefore, that America's Dairyland should want Dairy Month this year to achieve maximum success. The 2.3 million milk cows in Wisconsin are the symbols, not only of a crucial economic factor, but they are the symbols of a whole way of life—a fine, constructive way—essential to American health.

As an indication of the grassroots efforts which are being made on behalf of June, Dairy Month, I send to the desk the text of a news clipping which was published in the May 12 issue of the Janesville Gazette. It shows how public-spirited civic leaders are planning intensively for the full month observance. I hope that their efforts will be duplicated throughout the entire Nation.

I ask unanimous consent that the text of the writeup be printed at this point in the body of the RECORD.

There being no objection, the news article was ordered to be printed in the RECORD, as follows:

[From the Janesville Gazette of May 12, 1956]

DAIRY CAMPAIGN PLANNED IN JUNE

June, Dairy Month will be widely observed in Rock County with the expectation of selling greatly increased amounts of milk and dairy products, it was reported Thursday night at a county dairy promotion meeting held in the courthouse here.

Thirty-five delegates, representing farm, processing, and distribution-retail attended the gathering to hear Dale Bruhn of the State department of agriculture outline plans for State and national campaigns and the part which this county might play in the observance.

Rock will join with Walworth, Jefferson, and Waukesha Counties to take the lead in setting up a dairy pageant of progress for the Junior Wisconsin State Fair, and for parade and entertainment there August 22 it was decided.

Those who volunteered to help during the campaign next month, included Robert Westfall, secretary of the Janesville Chamber of Commerce; John Bort of the Beloit Association of Commerce; William Muck, Footville; Tom Edge, Evansville; Hollister Raymond, Edgerton; Arnie Agnew, Milton Junction; Harvey Ernst, Whitewater; LeRoy Scott, Orfordville; and George Snyder, Clinton. Local leaders were asked to call meetings in their own communities within 10 days to work out plans.

Howard Miller, representing Pure Milk Association; Ernie Lowry, of the County Farm Bureau; William Canary, Footville banker; and County Agent Hugh Alberts were named to the county general committee.

WOMEN TO COOPERATE

Mrs. Harold Russell, State president of Farm Bureau women, announced plans for county and State cheesecake baking contests, with the Rock County event on May 23. She said that the average cheesecake requires in some form or another, 26 pounds of fluid milk.

One of the features discussed was that milk dispensers be set up at least 1 day per week during June in each urban district in Rock County. Milk would be furnished by the local dairy promotion committee.

Stores and other outlets for milk and dairy products will display special sales banners and literature. Orders for these materials will be handled by the county committee, with County Agent Alberts in charge. The orders are due by May 20.

**NINETEEN HUNDRED AND FIFTY-FIVE DRIVE
EFFECTIVE**

Bruhn, in his talk to the group said that the 1955 June record indicated an extra 21 million pounds of milk sold in Wisconsin as a result of the effort. For this year, he said, dairy plants, milk bars, grocers, restaurants, bankers, feed and machinery dealers, newspapers, and radio-TV have pledged aid. The Wisconsin Bankers Association with 750 members, and the Wisconsin Feed Dealers Association with 800 members are expected to be of materials help. Allis-Chalmers, Sears-Roebuck, and other companies have also promised aid, he said. Major grocery chains and the Wisconsin Restaurant Association will cooperate.

Much of the planning and promotion expense will be handled by the American Dairy Association and by the State department.

Farm organizations represented included the Grange, Farm Bureau, Rock County Breeders, Rock County Guernsey Breeders, Rock County Holstein Breeders, and Pure Milk Association.

ORDER FOR RECESS TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JACKSON. Mr. President, S. 1823, the Lehman bill to authorize construction and operation of the Niagara project by the New York Power Authority, with appropriate application of the preference principle, has my most enthusiastic support.

I joined in cosponsoring this bill out of the conviction that public development of the Niagara project is legal, desirable, and, in fact, necessary to give the people of New York State and the entire northeastern area of our United States a yardstick against which private power costs and charges may be measured.

Mr. President, I am happy and proud that I come from one of the great public power sections of the Nation. More than 70 percent of power produced in the Pacific Northwest is generated by public agencies. This fact, combined with our great water resources, has given my region the lowest power rates in America.

For instance, the wholesale cost per kilowatt-hour of energy purchased by REA borrowers from all suppliers in my State of Washington is 3.1 mills; in Oregon, 3.5 mills; in Montana, 4.7 mills; and in Idaho 4.8 mills. The corresponding costs in the States that would benefit from the Niagara project are 8.6 mills in Ohio; 9.4 mills in Pennsylvania; and 11.2 mills in New York.

Consider now, Mr. President, the testimony in the hearings on S. 1823 that 95 percent of the consumers of electric energy in New York State are served by privately owned utilities.

I submit that one important reason for the difference between the average wholesale rate for power furnished by all suppliers in my own State, which is 3.1 mills, and that furnished in New York State, which is 11.2 mills, is that we in Washington State have a public power yardstick that squeezes the fat out of private rates but still leaves private utilities a healthy diet of profit.

I might add that the private utilities of the Pacific Northwest themselves have benefited handsomely from low-cost public power, for while they generate only 29.4 percent of the total power produced in Washington, Oregon, Idaho, and Montana, they distribute 62 percent of the power generated in those four States. In other words, they are able to buy low-cost public power for resale to their own customers.

A vital feature of S. 1823, Mr. President, is the provision requiring the New York State Power Authority to give preference to public agencies in New York and neighboring States, where feasible. The same preference principle is in effect in our Northwest States; and, as I have shown, it still leaves the opportunity for private companies to purchase public power. The preference feature of Senate bill 1823 would not prevent the sale of power by the New York State Power Authority, on a wholesale basis, to privately owned utilities.

The reason why the preference principle is so vital to Senate bill 1823 is that evidence shows that the many small municipal and rural electric cooperative systems of the Northeast are paying twice the cost for their purchased power supply that is being paid by similar systems in areas where the preference clause under Federal power policy is in effect. These systems generally are so small they cannot even consider any generation of their own. Public development of the full power potential of the Niagara River—under the treaty of 1950 with Canada—is the only way these systems will ever get the low-cost power which they need and their customers deserve.

Incidentally, I am sure everyone understands that no Federal funds are involved in Senate bill 1823. The only reason why the project is now before the Senate is that the treaty of 1950 with Canada reserved to the Congress the right to pass on whatever development of the Niagara there might be on the American side.

The question involved in Senate bill 1823 is, of course, not whether the Niagara shall be developed. The question is who shall develop it, whether it shall be developed to put great profit into the hands of a few, or to provide low-cost power for the people who will receive power directly from the Niagara installation, and lower-cost power for other consumers throughout the area. I say other consumers in the area will benefit from public development, too, because testimony presented at the hearings on Senate bill 1823 indicates that public

development of this project, with its resultant low rates, would force a reduction of 20 percent in the power rates of the entire area.

It is said by advocates of private development that the United States Treasury will suffer heavily in loss of taxes if the Niagara site is developed by the New York Power Authority, instead of by a private utility. However, as the report on Senate bill 1823 points out:

Experience in both the TVA and Bonneville Power Administration areas has demonstrated how low-cost power increases a region's contribution to the Public Treasury far more than would be accomplished by private utilities if the same power resources are turned over to them for development. The people of the area should not be asked to forego the inevitable expansion of business and industry, increased regional prosperity, and the increased revenues of more widespread, less burdensome taxes.

I should like to add some specifics to this assertion in the committee report. In my own State, in 1940, internal-revenue collections amounted to only \$31 million. By 1954 they were up to \$725 million, or 24 times as great.

Allowing for the increase in tax rates, for the increase in population of my State, and for the wartime boost to our economy, I hold that the profits and pay checks behind this tremendous increase in tax payments to the United States Treasury could not have come about without low-cost power—and lots of it.

Grand Coulee power started coming on the line in 1941; and during those same 14 years, from 1940 to 1954, while income-tax payments in my State were increasing 24 times, power production in my State increased nearly 6 times—from 3,944,180,000 kilowatt-hours in 1940 to 22,980,782,000 kilowatt-hours in 1954.

Opponents of public development of the Niagara say that the people of America will have to make up the loss in taxes that would be paid by the consumers of power produced by a private developer. They say the Nation's taxpayers will suffer, while a relatively few consumers of the public power will benefit.

I disagree completely. I say that not only will the direct consumers of the public power benefit, but other consumers throughout the area will benefit from a reduction in rates forced by the yardstick of public power. Lower power rates for industry—if experience in my own State and region is any criterion—will mean an increase in the general prosperity of the whole region. In turn, more money will flow into the United States Treasury, in the form of corporate and personal income taxes, than ever would be paid by the private power utility alone. The Nation's taxpayers will not lose by public development of the Niagara. They will gain.

Mr. President, this is the real importance of Senate bill 1823. It is a bill to assure that all of our people, not merely a few, profit from the development of this, the greatest single potential power site in America.

Mr. LANGER. Mr. President, because of a temporary affliction to my eyes, I ask unanimous consent that my speech on the pending bill be read at the desk.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

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FCIC.....10	Poultry.....32	Water.....6,23

HIGHLIGHTS: Senate made farm bill its unfinished business. Both Houses agreed to conference report and cleared for President second supplemental appropriation bill. Senate subcommittee ordered USDA appropriation bill reported to full committee. House received conference report on sugar bill. House received proposed supplemental estimates for 1957 fiscal year, including amounts for certain USDA agencies. Rep. Dodd introduced and discussed bill to require compulsory poultry inspection by USDA

SENATE

1. FARM PROGRAM. Made H. R. 10875, the farm bill, its unfinished business to be debated today. p. 7405
Sens. Schoeppel, Aiken, Fulbright (for himself and Sen. McClellan), Smith, and Hickenlooper submitted amendments intended to be proposed to the bill. p. 7361
2. APPROPRIATIONS. The Appropriations subcommittee completed its markup of H. R. 11177, the USDA appropriation bill for 1957, and ordered it reported with amendments to the full Committee. p. D482
3. SURPLUS FOODS. The Finance Committee announced that during consideration of H. R. 7225, relating to social security amendments, the "food stamp plan amendment, introduced by Sen. Kerr, was voted down by the committee. It would provide food stamps for the distribution of surplus foods and fibers to families on public assistance in the amount of \$10 per month." p. D482
4. ROADS. Majority Leader Johnson announced that H. R. 10660, the road bill, may be taken up next week. p. 7406

5. ELECTRIFICATION. Passed with amendments S. 1823, to authorize the construction of works of improvement in the Niagara River for power and other purposes. pp. 7365, 7393
6. WATER RESOURCES. Sen. Watkins inserted and commented on two magazine articles and a letter supporting efforts for water resource development in the West. p. 7406
7. FOREIGN AFFAIRS. Sen. Martin inserted a statement by the U. S. representative to the U. N. Economic and Social Council on the contributions of the International Bank to the economic growth of other nations, including the stimulation of agricultural production in Mexico. p. 7363
8. RECLAMATION. Agreed to the conference report on H. R. 6268, to provide for the use of appropriated funds by the Secretary of Interior in contracts for the construction of drainage works and other minor items on Federal reclamation projects. p. 7365
The Interior and Insular Affairs Committee reported without amendment S. 3101, authorizing the construction of the Crooked River reclamation project in Ore., (S. Rept. 2007); and H. R. 1779, authorizing the construction, operation and maintenance of the Juniper division of the Wapinitia reclamation project in Ore., (S. Rept. 2008). p. 7356
9. DAIRY MONTH. Sen. Wiley commented on an inserted a newspaper article on the intensive plans being made in Wis. for the celebration of June, Dairy Month. p. 7309, 5-15-56.

HOUSE

10. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 10004, the supplemental appropriation for 1956 (pp. 7395, 7419). The conference report was agreed to, in the House, by a vote of 134 to 10 (p. 7429). This bill is now ready for the President.
Received from the President supplemental appropriation estimates for fiscal year 1957 (H. Doc. 403). This document includes the following items for this Department: Salaries and expenses, Agricultural Research Service, Plant and animal disease and pest control, \$1,000,000 to provide for additional cooperation with Florida in eradicating the newly found infestation of the Mediterranean fruit fly, and for accelerating the eradication program of the burrowing nematode; Sugar Act Program, Commodity Stabilization Service, \$189,000 increase in administrative-expense limitation (no additional appropriation required) contingent upon enactment of H. R. 7030; and Federal Crop Insurance Corporation, \$13,000,000 to enable the Secretary of the Treasury to subscribe and pay for capital stock of the Corporation in order to provide adequate working capital; to the Appropriation Committee. p. 7467
11. SUGAR. Received the conference report on H. R. 7030, to amend and extend the Sugar Act of 1948 (H. Rept. 2174). pp. 7417, 7468 (See Digest 78 for provisions).
12. ELECTRIFICATION. Rep. Price commended Speaker Rayburn for his support of REA through the years, and offered congratulations on the 20th birthday of REA. p. 7416

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses agreed to conference report on sugar bill. Ready for President. Senate debated farm bill. Senate committee reported fisheries stabilization bill. Sen. Stennis described and commended USDA research program. House committee reported bill to alter dates for proclamation of tobacco quotas. House committee reported bill to further define dry milk solids. House Rules Committee cleared bill to merge PCA's and intermediate credit banks.

SENATE

1. SUGAR. Both Houses agreed to the conference report on H. R. 7030, to amend and extend the Sugar Act of 1948. pp. 7508, 7529 This bill will now be sent to the President.
2. FARM PROGRAM. Began debate on H. R. 10875, the farm bill. pp. ~~7484~~, 7487, 7492, 7497, 7499, 7501, 7510, 7520
Agreed to all committee amendments, but only for the purpose of enabling the bill, as so amended, to be considered as original text for the purpose of amendment (p. 7492). Agreed to limit debate to 1 hour on each amendment, beginning today, and to limit debate on the bill itself to 2 hours (p. 7491). Sen. Aiken inserted a letter from the Secretary in response to a request for information on the possibility of getting a soil bank into operation on the 1956 crops (p. 7501). Sen. Daniel presented and discussed an amendment (on behalf of himself and others) to restore the House language on feed grains with a modification (p. 7520). Sens. Williams, Young, Martin of Pa., Anderson, Daniel, and Barrett submitted amendments which they intend to propose to the bill (p. 7480).
3. FISHERIES. The Committee on Interstate and Foreign Commerce reported with amendments S. 3275, which establishes a separate Fisheries Division of the Interior Department (outside of Fish and Wildlife Service) and a policy-making Fisheries Commission, transfers to the Fisheries Division all functions of the Secretary of Agriculture and others relating to the development, advancement, management, conservation, and protection of fisheries, and authorizes appropriations to

carry out the bill. Sen. Magnuson discussed the bill and inserted its text and a list of organizations supporting it. p. 7472

4. RESEARCH; APPROPRIATIONS. Sen. Stennis commended the Department's research program and recent increases in appropriations for this purpose, stated that these appropriations are small compared with funds for military research, and described various agricultural research accomplishments. p. 7516
5. ELECTRIFICATION; WATER DEVELOPMENT. Sen. Neuberger inserted articles by Peter Inglis favoring joint development of Columbia River resources, for power and other purposes, by the U. S. and Canada. p. 7484
6. ROADS; FORESTRY. Sen. Neuberger inserted and commended testimony by the National Lumber Manufacturers Association favoring exemption from gasoline tax of trucks traveling on private roads. p. 7499
7. HOUSING. As reported (see Digest 79), S. 3855, the omnibus housing bill, includes provisions as follows: Sec. 605 amends Title V of the Housing Act of 1949 to authorize, for a 5-year period beginning July 1, 1956, and ending June 30, 1961, (1) \$450 million for farm housing loans through this Department, (2) \$10 million for contributions by this Department to prevent defaults in payments of loans for potentially adequate farms, and (3) \$50 million for grants and loans for improvement and repair of certain farms. Sec. 502 directs the Public Housing Authority, upon request, to transfer farm-labor camps to local public housing agencies, without compensation, with first preference as to use being given to low-income farm workers. Sec. 602 directs the Housing Administrator to conduct a research program covering the supply and demand factors affecting the housing market, mortgage market problems, the need for low-income housing, etc. Sec. 604 provides for a Commission on National Housing Policy, to make recommendations, by June 30, 1957, relating to housing needs, discounting of Government-supported mortgages, the prospects of new sources of investment funds, etc.
8. ROADS; FORESTRY. As reported (see Digest 77), H. R. 10660 authorizes \$24 million for each of the fiscal years 1958-61 for forest development roads and trails (House version authorizes \$27 million for each of the fiscal years 1958-59), and authorizes \$22.5 million annually for each of the fiscal years 1958-61 for forest highways (House version authorizes \$25 million for each of the fiscal years 1958-59).
9. PERSONNEL. This Office has received from the Joint Committee on Atomic Energy one copy of a committee print, "Engineering and Scientific Manpower in the United States, Western Europe, and Soviet Russia." This is a statistical report on the numbers of trained engineers and natural scientists and the status of training for this type of profession. Copies of the report will not be available from this Office, but may be purchased from the Superintendent of Documents, GPO, for 25 cents a copy.

HOUSE

10. TOBACCO. The Agriculture Committee reported with amendment H. R. 9475, to alter the date of proclamation of marketing quotas for flue-cured and other types of tobacco (H. Rept. 2180). p. 7579
11. MILK. The Interstate and Foreign Commerce Committee reported with amendment H. R. 5257, to further define nonfat dry milk solids for purposes of the Federal Food, Drug, and Cosmetic Act (H. Rept. 2176). p. 7579

pounds. It consists of about 10,000 Atomic Energy Commission research and development reports, 34 bound volumes of scientific and technical texts on nuclear theory, and 11 bound volumes of abstracts of some 50,000 reports and articles published in this country and abroad. The library will be kept current and additional reports will be supplied as they are issued.

This program will make it possible for those foreign students, who come to the United States to study nuclear theory at the Argonne National Laboratory in Chicago, to continue their research after they return to their own country.

On March 28, Ambassador Henry Cabot Lodge, Jr., presented the library to the United Nations in New York. This is a further contribution to the program launched by President Eisenhower before the General Assembly of the United Nations in December 1953, now made possible by the Atomic Energy Act of 1954 enacted by the Republican 83d Congress.

Obviously, no classified material or information on atomic weapons will be included in these libraries. Our interest is only to further the peaceful uses of atomic energy. Ambassador Lodge stated that we expect to receive similar information for libraries in this country from those nations which are the recipients of our gifts.

I append at this point the text of Ambassador Lodge's statement on this occasion.

STATEMENT BY AMBASSADOR HENRY CABOT LODGE, JR., UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS, AT THE PRESENTATION OF THE ATOMIC ENERGY LIBRARY TO THE UNITED NATIONS

When speaking of atomic energy, we have become accustomed to talking in terms of reactors and megatons, kilograms of fissionable materials, and millions of dollars for equipment and research. Today we are talking only of books—but books are the bedrock of scientific progress.

The library which the United States Government has the honor of presenting to the United Nations today contains 45 volumes of information on basic research in atomic energy as well as many thousands of articles and technical reports published in this country and abroad. There are also many thousands of cards which index and describe all the nonclassified literature of the Atomic Energy Commission.

This library will be kept up to date by the Atomic Energy Commission as new material becomes available.

In a statement made on the floor of the General Assembly on November 5, 1954, I announced that the United States was prepared to make available to other countries the vast amount of documentation on atomic energy that was already freely published—totaling more than 200,000 pages of information. I suggested that we would be able to give 10 libraries containing these documents to countries interested in using them.

Since that time, not 10 but more than 40 countries have requested these libraries; 33 have already been presented and the others are on their way. Several more have been given to regional and international organizations interested in atomic energy development.

Our only request in return is that other cooperating nations send us their collections of official nonsecret papers to be placed in appropriate libraries in the United States.

The United States program of using the atom for man's betterment rather than for his destruction has proceeded along two lines of action; making facilities available and making information available. As President Eisenhower has said, our purpose is to spark the creative and inventive skills, to put them to work for the betterment of the conditions under which men must live. The President

has also stressed this must be a joint effort—"a continued partnership of the world's best minds."

For these reasons, it is a pleasure for me today to present to the United Nations headquarters this library, symbolized by this one volume, for the use of the United Nations Secretariat and the delegations of member countries.

AUTHORIZATION FOR THE COUNTY OF CUSTER, MONT., TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, which was, on page 2, after line 13, insert:

SEC. 2. The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this Act which the Secretary determines is excess to the needs of the Department of the Interior.

Mr. MURRAY. Mr. President, the Committee on Interior and Insular Affairs, having considered the amendment of the House, reports favorably thereon and recommends that the Senate concur in the House amendment.

I so move.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I express the hope that the Senate will be able to complete action on the bill today. I can see no reason for extended debate, especially since the Senate debated the vetoed bill, H. R. 12, at great length, and most of the provisions of the pending bill are taken from H. R. 12.

To begin with, the pending bill, as it came from the House Committee on Agriculture, was substantially the same as the bill which the President vetoed, with the exception of two Titles—Titles I and V. Title I of H. R. 12 dealt with 90 percent of parity price supports, reinstating the dual parity formula, and a few other minor provision. Title V of H. R. 12 would have provided two-price systems for wheat and rice. As I have said, those two titles of the original bill which was vetoed by the President were eliminated. The resulting bill, as reported to the House by the House Committee on Agriculture, was essentially the same as H. R. 12, as adopted in conference, without, of course, titles I and V.

On the floor of the House several amendments were adopted. Those amendments were carefully considered by the Senate Committee on Agriculture and Forestry, which eliminated three of them.

The first one was to extend the acreage reserve program to grazing lands, and all field crops designated by the Secretary. As Senators will recall, when the Senate version of H. R. 12 was considered several weeks ago an effort was made to place grazing lands in the program; that proposal was voted down. Also an amendment was offered to include other crop lands in the acreage reserve program, which would have had the effect of placing in the acreage reserve program any crop whose production was found by the Secretary of Agriculture to be in excess of domestic consumption requirements. As I recall, that amendment was proposed to the Senate by the Senator from Maine [Mr. PAYNE] and other Senators from the northeastern section of the United States. The general objective of the amendment was to permit potato growers and the producers of other similar nonbasics to participate in the acreage reserve program of the soil bank. The House saw fit to place a similar amendment in the bill. The Senate Committee on Agriculture and Forestry struck that provision from the bill.

In order to implement its broadened acreage reserve program, the House increased the authorized appropriation for acreage reserve purposes from \$750 million to \$800 million. The Senate committee reduced that authorization to the original amount of \$750 million, since our bill omits the authority for including grazing lands and field crops in the acreage reserve.

An amendment adopted on the floor of the House extended to all agricultural commodities the prohibition on leasing Government lands for agricultural production. The Senate Agriculture Committee interpreted that amendment to mean that it would have prevented the grazing of cattle, sheep, and other animals. As a result, the committee struck that provision from the House bill, and reinstated the original language of that section—language contained in the vetoed bill. This language, instead of applying the prohibition to all agricultural commodities, confined its application to price-supported crops. Thus on all Government lands, the prohibition against planting and use will apply only with respect to price-supported crops.

The Committee on Agriculture and Forestry sought to give to the President everything he asked for in regard to the soil bank, with one exception. That one exception was the authority to make advance payments. I shall discuss that point in a moment.

Since the President, through his Secretary of Agriculture, had fixed price supports at levels ranging from 82.5 percent to 86.2 percent of parity on basic crops, it was felt that it would be an idle gesture if we attempted in committee to reinstate higher price supports. Therefore the committee contented itself with the rigid price-support system fixed by the Secretary of Agriculture and suggested by the President in his veto message.

As I have said on several occasions, it was my considered judgment that in

order to take the sting out of his veto message, the President suggested that price supports be raised and made rigid administratively, instead of their being fixed legislatively in the manner Congress sought to fix them.

It has been said that the price supports announced by the President are fair as to all commodities. I challenge that statement, and I am sure that many other Senators, as well as many farmers, will also challenge the statement. The Benson-Eisenhower program of administratively-fixed rigid price supports does not treat all basic commodities fairly, equally, or on the same terms. The program is a lopsided, one-sided program. It is an election-year monstrosity.

As I shall point out in a prepared statement in a few moments, corn received treatment that was far better than that accorded any other basic crop; in fact, corn was treated better than any other crop. It will be remembered that the biggest ruckus with respect to the farm bill was raised in the commercial corn area. Yet, as a matter of fact, I do not know of any other section of the farm bill which caused the Committee on Agriculture more trouble, and on which it spent more time, than the corn and small-grain provisions of the bill.

I presume that because of the discontent which existed in the commercial corn area, with respect to income, support levels, and acreage allotments, the President saw fit to raise the support price on corn in the commercial area from 81 percent of parity to 86.2 percent, or to \$1.50 a bushel. That level was to apply to those commercial corn farmers who complied with acreage allotments. However, as to all other corn produced in the commercial corn area—that is, where the farmer did not comply with his acreage allotment—the President, through his Secretary of Agriculture, administratively fixed a price support of \$1.25 per bushel. This was done for the first time in the history of our present price-support law.

As a result, in the corn area we have an anomaly. Those farmers who abide by acreage allotments will receive a support price of \$1.50 a bushel, or 86.2 percent of effective parity. Those who do not comply will receive \$1.25 a bushel, or about 75.7 percent of modernized parity—which is the equivalent of 71.8 percent of effective parity. By virtue of this double-barreled approach—one applied only to the commercial corn area—it is my humble judgment—and I imagine the judgment of many other Senators, as well as many farmers—that corn has received highly preferential treatment. The committee discussed the advisability of giving similar treatment to all other commodities. However, in fear that doing so would result in another veto, the committee decided to retain the system of price supports as fixed, or to be fixed, by the Secretary of Agriculture in accord with the President's veto message. Let me turn now to the advance payments scheme which was suggested by the President. The bill does not authorize advance payments for soil-bank participation. In this respect, the Senate committee follows the House bill.

The majority of our committee felt that such payments would be unwise, impractical, and basically unsound.

For my own part, I consider the pay-in-advance proposal only an agricultural will-o'-the-wisp—something which appears attractive when viewed from afar, but which disappears when approached for close examination.

We have been told that the pay-in-advance scheme would increase farm income. Nothing could be further from the truth. Advance payments would not represent extra income. That is a matter of pure logic. Since soil-bank payments would be based upon the money a farmer might have netted had he planted his land instead of placing it in the soil bank, the most he might receive would be a payment equal to his net income had he planted those acres. Thus, any attempt to becloud the issue by declaring that soil-bank payments this year for participation in the soil bank next year will increase income, is pure and simple hokum.

For any such payment received in advance by a farmer in 1956 he would get that much less in 1957. I do not believe it to be either commonsense or sound policy for Congress to offer American farmers a political lollipop this year, at the expense of paying for the lollipop next year.

The farm price program we formulate this year must be a program based upon our best judgment as to what is sound policy, not merely what is the most expedient election-year policy. It must consider the future, as well as the present. Nineteen fifty-seven will bring its own share of farm problems; there is neither excuse nor necessity for compounding next year's problems by putting off until then the problems we should face today. The American farmer has never asked his Government for anything but fair and equitable treatment. That is what he expects; that is what we must give him.

Title I of the bill provides for a soil bank consisting of an acreage reserve and a conservation reserve. The acreage-reserve program would be applicable to wheat, cotton, corn, peanuts, rice, various kinds of tobacco, and feed grains. It would not be applicable to grazing lands or to field crops to be designated by the Secretary, as was provided by the House bill. There are no acreage allotments for grazing lands or for field crops generally. Acreage-reserve programs for them would have presented many problems. The conservation-reserve program would be applicable to all cropland, including lands devoted to crops, such as tame hay, which do not require annual tillage.

Acreage-reserve payments would be required to be made as soon as compliance with the acreage-reduction requirements of the program had been determined, and could not be made before that time. Conservation-reserve annual payments could begin as soon as the producer had set aside his land and taken all practicable steps to establish the conservation use on it.

In that connection, Mr. President, I wish to say that we wrote into the re-

port a provision that a farmer who desired to place some of his land in the conservation reserve could do so and receive payment therefor, provided he has set the land aside, and provided he shows a clear intention not to use the land to produce crops. In the event such farmer desired to plant certain of his land in trees, and if the trees were available, they could be planted immediately; if not, the land could be set aside. In that case the farmer would be entitled to receive conservation-reserve payments. We felt that he should not be in any way punished because he might not be able to get sufficient grass seed for the acreage set aside or a sufficient number of trees to plant on the acres he set aside. Let me read the language in the report to which I refer. It is found on page 6:

Subject to section 105 (b) it is intended that the Secretary shall have authority under the Soil Bank Act to provide for making payments to producers prior to their compliance with all the terms and conditions of the program for the year for which the payment is made. Thus, it would be permissible for the Secretary in contracts entered into under the conservation-reserve program for any year to provide that all or a part of the annual payment (provided for in sec. 107 (b) (2)) to which a producer would be entitled for compliance with the conservation-reserve program for such year would be made when the producer certifies that the cropland which he has agreed to devote to a conservation use had actually been devoted to such use or that he has actually set aside such cropland for such conservation use and has taken all practicable steps to establish the conservation use on the cropland so set aside. Under section 111, the Secretary is specifically authorized to furnish producers materials and services to assist them in establishing the conservation use provided for in their contracts. It is also intended that the Secretary shall have authority to make cost-sharing payments under section 102 (b) (1) in a similar manner for use by a producer in defraying that part of the cost to be incurred by the producer in establishing the conservation use which the Secretary has agreed to bear.

So, Mr. President, with that language in the report, declaring our intention, it is my judgment that the Secretary of Agriculture can, if he so desires, put the soil-bank program into effect this year, without any question.

Conservation reserve cost-sharing payments could be made as the work progresses, or the Secretary could furnish materials or services for such work, or make payments to suppliers furnishing such materials or services.

I may say, Mr. President, that the soil-bank provisions have not been basically changed. Virtually the same language incorporated in the original bill—the bill vetoed by the President—is contained in the bill now before the Senate. So I can see no need to spend very much time in rehashing and rediscussing that portion of the bill. Consequently, I again express the hope that debate on this bill will not be too extensive.

Title II of the bill treats of surplus disposal and provides for—

First, the orderly liquidation of CCC stocks of agricultural commodities. It is in almost the identical language which

was incorporated in the bill vetoed by the President. For the sake of the record, I shall gloss over and point out the various provisions under title II of the bill.

It provides further for—

Second, submission by the Secretary to Congress of surplus disposal, food stamp, and food stockpiling programs.

Third, reinclusion of $1\frac{1}{16}$ inch and longer cotton in the 45.7 million pound import quota now applicable to cotton stapling $\frac{1}{8}$ inch up to $1\frac{1}{16}$ inches.

Fourth, sale for export of current CCC stocks of extra long staple cotton.

Fifth, sale at competitive prices for export of a sufficient quantity of cotton to reestablish the United States share of the export market.

I shall explain that program in detail a little later, Mr. President, because in that section of the bill the Senate committee made changes as compared with the provisions which were in the original bill as passed by the Senate. It is known as the Eastland amendment.

Sixth, agreements with foreign countries to limit their exports of agricultural commodities and products to the United States.

Seventh, additional annual appropriations of \$500 million to supplement section 32 funds.

Eighth, transfer to the supplemental stockpile of materials acquired by CCC through barter for agricultural commodities.

Ninth, duty-free importation of strategic materials acquired by CCC through barter.

Tenth, authority to pay \$15,000 per annum to an agricultural surplus disposal administrator.

Eleventh, authority to use CCC funds to pay ocean freight costs on donations under title II of Public Law 480, or section 416 of the Agricultural Act of 1949.

Twelfth, a bipartisan commission to recommend means of increasing industrial use of agricultural products.

That section was phrased in the same language contained in the original bill, with some exceptions which I shall point out a little later.

Thirteenth, donation of food commodities to Federal penal institutions and to State correctional institutions for minors.

Fourteenth, denial of price support or other benefits for surplus agricultural commodities grown on certain future Federal irrigation or drainage projects.

Fifteenth, payment by CCC of processing costs on food commodity donations under section 416 of the Agricultural Act of 1949.

The only differences between this title and title III of H. R. 12 are as follows:

First. Section 203 was not contained in House Resolution 12 which was vetoed by the President; however, it is very similar to a provision contained in House Resolution 12 as it first passed the Senate. It would direct the Commodity Credit Corporation to offer cotton for export at prices not in excess of those charged by other exporting countries and, during the marketing year beginning this August, at prices not in excess of the minimum prices charged under

the export program announced August 12, 1955. The experience of recent weeks demonstrates that only nominal amounts of cotton will be sold under the present export program. Competitive pricing is the key to increased cotton exports, and American cotton must be permitted to move freely into world trade.

This provision, coupled with authority included in the House bill permitting the President to impose import quotas on foreign-made textiles, could result in considerably reducing the carryover of cotton in the United States, without injury to domestic users of cotton—provided, of course, the programs are administered in accord with the intent of Congress.

Mr. President, Senators will recall that recently an effort was made to sell surplus cotton under Secretary Benson's vaunted surplus disposal program. What the Secretary of Agriculture did was to place a floor—a fixed price—under which the cotton could not be sold. The original intent was to sell that cotton at world prices; by the time the State Department got through with the program, the cotton was offered at prices substantially above world prices.

The purpose of this amendment is to prohibit the Secretary of Agriculture from placing a floor price above the world market on surplus cotton he sells for export.

That is the essential difference between the original Eastland amendment and the provision which we have incorporated in the pending bill.

In other words, the next time the Secretary of Agriculture attempts to sell surplus cotton on the world market, he will have to permit the cotton to be sold at world prices, whatever those prices may be. He is, in effect, prohibited from placing an arbitrary floor under the price of cotton.

The second change among the 15 different subjects which I mentioned a moment ago was in section 209. That section remains substantially the same as it was in the conference report, except that it omits the language designating the committees of Congress to which proposed legislation recommended by the Commission on Increased Industrial Use of Agricultural Products would be referred.

It will be remembered that the provision, in a measure, had the effect of changing the Senate and House procedure as to the reference of bills. When the so-called Curtis amendment was reinstated in the bill, that part with reference to bills being referred to committees, and also other procedure to be followed, was stricken, so that any bill introduced must now be referred under normal procedure.

Title III of the bill relates to marketing quotas and acreage allotments, and is similar to title IV of H. R. 12. It provides for:

First. Extending to the 1956 and 1957 wheat crops, the surrender and reapportionment provisions which were applicable to the 1955 crop.

Second. Minimum national and State cotton acreage allotments in 1957 and

1958 equal to those for 1956. A slight change was made in that provision, and I shall explain this item a little later.

Third. Mandatory minimum cotton acreage allotments in all counties, including counties making farm allotments on a history basis, and the allotment of an additional 100,000 acres among States and counties on the basis of their needs for additional acres to provide minimum allotments to farms entitled thereto, and to provide fair allotments to other farms. That provision is effective only in 1957 and 1958 and is the same as that passed by the Senate when it considered H. R. 12.

Fourth. Minimum national and State rice acreage allotments in 1957 and 1958 equal to those in 1956. This provision is identical with the one in that first bill, with the exception that we have now added the year 1958. It will be recalled, as I shall explain more fully a little later, that the vetoed bill contained a 2-price plan for rice, and in that 2-price plan the acreage for 1957 was frozen. The pending bill provides a 2-price plan for rice, as I shall indicate later, but it is not mandatory; it is left to the Secretary of Agriculture to impose it if he desires to do so.

Let me state at this point, Mr. President, that the purpose of the cotton and rice acreage freezes provided in this bill is to preclude further drastic reductions in cotton and rice acreage, thus precluding at least in part, any more of the disastrous income-cutting which mandatory acreage cuts have heaped upon the heads of producers of these commodities in recent years. The acreage freeze is, in effect, a method by which we hope to put a floor beneath income of the producers of rice and cotton. We have applied the freeze to both State and national allotments for good reason. This application was not made to mitigate against the interests of cotton farmers in any State: rather, it is in the bill because the very purpose of the acreage freeze requires that it be there.

Since the acreage freeze has been imposed as purely an emergency measure, it would frustrate the very purpose of that freeze to permit shifts in cotton acreage from one State to another. Our desire was to assure farmer A in State X that his cotton acreage allotment, for example, would remain as nearly the same in 1957 and 1958 as it is today. With an acreage freeze in effect, it would be grossly unfair for farmer A in State X to have his acreage further reduced in 1957 and 1958 in order to increase the acreage of farmer B in State Y. With the freeze in effect, permitting acreage to shift from State to State, it would, to all intents and purposes, increase the income of some farmers, while the income of others would be reduced.

As I stated a moment ago, a formula has been incorporated in the pending bill whereby cotton acreage would be increased by 100,000 acres in order to assist small farmers. That was done in order to give to small farmers what we determined to be a fair, minimum amount of acreage.

We have felt, and I hope the Senate will agree, that since an acreage freeze

is to be imposed as an emergency measure—and such a freeze is obviously necessary—then it should be a complete freeze. It should not permit one farmer to benefit from that freeze at the cost of another farmer in another State. To do so would frustrate the entire purpose of both the cotton and rice acreage freezes.

Fifth. An increase in the marketing penalty for peanuts from 50 to 75 percent of the support price;

Sixth. Six percent interest on peanut marketing penalties and a lien on the crop for such penalties;

Seventh. Preservation of the acreage history for allotment purposes of farms foregoing the planting of their allotments during the period 1956 to 1959; and

Eighth. Price support levels and requirements for corn in the commercial area during the years 1956 through 1959, and for corn outside the commercial area and other feed grains in 1956 and 1957.

The provisions I have just mentioned under items 5, 6, and 7 are the same as those which were incorporated in the bill vetoed by the President.

As to item 8, in the light of the changes made by the Secretary of Agriculture administratively in regard to the price supports on corn, the Senate committee saw fit to make an effort to place the producers of small grains on at least a somewhat equal footing with the corn producers.

The provisions dealing with corn and feed grains were among the most difficult provisions to work out in the consideration of H. R. 12 and also in the consideration of the current bill. It was the purpose of Congress in H. R. 12 and of your committee in considering H. R. 10875 to provide price supports for each of the feed grains which would bear a fair and normal relationship to the support prices for the others, particularly for corn, which is the principal feed grain. The committee's recommendations have been designed to reflect the changed circumstances which have resulted from the actions of the administration since Congress passed H. R. 12.

In the President's message announcing his veto of H. R. 12, a new, revised program of rigid price supports for 1956 was announced. Under this new program, corn producers in the commercial corn area were the beneficiaries of rank favoritism. The entire program was a program by corn, of corn, and for the benefit by corn. Other feed grain producers were shabbily treated. Their competitive position was imperiled; the only logical end-result of the veto-message price support schedule, as announced, would have been to provide a bonanza for corn farmers in the commercial area—both compliers and non-compliers.

In his veto message of H. R. 12, the President objected to the feed grain price support provisions of that bill on the grounds that they would increase feed prices and distort price relationships. At that same time he stated that administrative action would be taken to raise the support price of corn, the principal feed grain, from \$1.40 or 81 percent of parity—which had previously

been fixed—to \$1.50, or 86.2 percent of parity, and that the corn price support for non-cooperators would be raised from zero to a price to be announced. Since the veto message, the support price to cooperators has been fixed at \$1.50, and the support price to noncooperators has been fixed at \$1.25. The support price to producers outside the commercial area has been raised from \$1.05 to \$1.12½.

The committee saw no justification for fixing the support price for a farmer who is subject to acreage allotments, but does not comply with them, on the basis of a support level of \$1.25, and fixing the support price for the farmer across the road who is not subject to acreage allotments on the basis of a support level of \$1.12½.

The committee has, therefore, left the price for producers in the noncommercial area at 82½ percent of the level in the commercial area as prescribed by the House bill. This would result in a price of \$1.237, which corresponds closely to the \$1.25 price for noncooperators. The committee also felt that increasing the price support level for corn from 81 percent to 86.2 percent of parity, and increasing the price support available to noncooperators from zero to \$1.25, would certainly result in distortion of the price relationships between corn and the other feed grains, unless corresponding increases were made in support levels for the other feed grains. The price of \$1.25 fixed by the Secretary for noncooperators is equal to 75.7 percent of the modernized parity price for corn, and the committee therefore fixed the 1956 support prices for the feed grains—that is, barley, oats, rye, and grain sorghums—at 76 percent of parity. Since support at \$1.25 for noncooperators does not depend upon compliance with acreage allotments or whether an acreage reserve program is in effect for corn, the support price for 1956 for the feed grains would also be made available without regard to compliance with acreage requirements or soil-bank participation, and without regard to whether an acreage reserve program is in effect for corn.

In other words, we sought to give the producer of small grains a fair deal. In light of the fact that the President saw fit to have his Secretary of Agriculture administratively fix support prices for corn—I would say arbitrarily—at \$1.50 in the commercial area for those farmers who remain within their allotted acreages, or \$1.25 where the sky is the limit and they can plant as much as they want, we thought it was only fair to treat the producers of other feed grains in a similar fashion.

The formula I have just indicated would be effective for 1956 only. What prompted us to come to that conclusion was that because of the lateness of the season, it is now impossible to establish base acres for small feed grains.

The committee also considered the feed grain situation with respect to 1957. It will be recalled that the bill which the President vetoed provided for price supports for small-grain producers, conditioned on their planting only 85 percent of their base acreage. We have

changed that, as I shall indicate, so as to place the producers of corn, both in the commercial area and in the noncommercial area, and all the small feed grain producers, in the same boat, we have accorded them, as nearly as we could, the same treatment.

For 1957 the bill would fix the support price for each of the commodities—barley, oats, rye, and grain sorghums—at a percent of parity 5 percentage points below that at which corn is supported in the commercial area. That was the same figure which was incorporated in the original bill. To obtain this price, feed grain producers would have to comply with acreage requirements and soil bank participation requirements similar to those for corn. Instead of being required to keep within 85 percent of their feed grain base acreage, as provided by H. R. 12 and the bill as passed by the House, they would be required, under the bill as it would be amended by the committee amendments, to keep within 100 percent of their feed grain base acreage.

That base acreage would be established by the Department of Agriculture, using the average plantings of those who produced small grains for the years 1955, 1954, and 1953.

If support were made available in 1957 to corn producers not complying with acreage requirements or soil bank participation requirements, support would have to be made available to feed grain producers not complying with similar requirements applicable to feed grains. In other words, it is another effort to place corn and feed grain producers in the same boat.

In such case the noncompliance support price for each feed grain would be required to be fixed at a level bearing the same relationship to the compliance feed grain support price as the noncompliance corn support price bore to the compliance corn support price. If noncompliance corn support prices were not made available in 1957, the Secretary would not be required to establish noncompliance feed grain support prices, but he would have the authority to establish such prices if he saw fit.

Section 308 (a) of the bill requires corn producers to comply with base acreage and soil bank participation requirements whenever base acreages are in effect for corn, and makes acreage allotments ineffective for 1956. Section 103 (b) (1) of the bill as it passed the House provided for base acreages for corn for each year for which an acreage reserve program is in effect. While the committee felt that an acreage reserve program can and should be made effective for 1956, the Secretary has indicated that he may not be able to institute such a program this year. Under the language of the House bill, if a program were not instituted, corn producers apparently would not be subject to any acreage restrictions in 1956; and the committee therefore recommended an amendment to section 103 (b) (1) to provide for a base acreage for corn for 1956 without regard to whether there is an acreage reserve program for corn for 1956.

Mr. President, the effect of this is simply to tell the corn farmers that if they desire the \$1.50 price fixed by the Secretary for 1956, they will have to comply with acreage allotments based upon a national acreage of 51 million acres, instead of the present 43.3 million acres.

It will also be necessary for compliance that the farmer place in the soil bank the equivalent of 15 percent of his base acreage—in the conservation reserve if there should not be an acreage-reserve program in 1956—or, if he desires, and the Secretary should proclaim an acreage-reserve program, then the 15 percent could be taken out of his base acreage and put in the reserve acreage. But, I repeat, that would be only in case the Secretary of Agriculture should proclaim an acreage-reserve program.

The proviso inserted in section 308 (a) by the House, and retained by the committee, would permit the Secretary to provide price supports for corn producers not complying with base acreage and soil bank participation requirements.

Under the bill as passed by the House, the feed-grain price-support provisions for 1956 would be applicable only if an acreage-reserve program were in effect for corn. Since the Secretary has indicated a possibility that there might not be an acreage reserve for corn in 1956, the committee recommended an amendment, which would make these provisions applicable whether an acreage-reserve program were in effect for corn or not.

Aside from the treatment of feed grains, the only differences between title III of H. R. 10875 and H. R. 12, as passed by the Congress, are as follows:

First. Section 302 provides for apportionment of the 1957 and 1958 cotton-acreage allotments among the States in the same proportion that they shared in 1956.

Second. The provision contained in title V of H. R. 12, providing for a minimum national acreage allotment for rice for 1957 and its apportionment among the States in the same proportion that they shared in 1956, has been transposed to this title, and extended to 1958.

Title IV of the bill, which deals with forestry, provides for assistance to States for tree planting and reforestation, and for forest-product price reporting and research. Both sections of this title were passed by the Senate as part of H. R. 12, but the price-reporting and research provision was omitted from H. R. 12 as it came from conference. So the committee simply reinstated that amendment, which was offered by the distinguished Senator from Minnesota [Mr. HUMPHREY].

Title V of the bill provides for a two-price plan for rice, including a redefinition of "normal yield" necessary to facilitate its administration. This redefinition or "normal yield" was done at the suggestion and request of the Department; that is to say, the Department suggested that it would be best to include that language. The two-price plan is similar to that contained in H. R. 12, except that it would be discretionary, rather than mandatory.

Mr. President, there has been much talk about the two-price plan approach. It is now time for us to see how it works. Rice, which is a crop produced in only

a few States, would be a guinea pig. In my humble judgment, if the two-price system should be applied and if there should be no interference in its operation from the State Department, it might open up a new avenue by which we can dispose of a great deal of these crops that we shall produce in the future, and thus in a measure recover our lost export markets.

This title would not be applicable in 1956, but could be made applicable for the years 1957 and 1958, or for the years 1958 and 1959 if the Secretary determined that the initiation of such a program was administratively feasible and in the best interests of rice producers and the United States.

Mr. President, as I have indicated, the two-price plan for rice is purely discretionary. The committee was advised that it might not be possible to put the two-price plan for rice into effect during 1956. The Secretary is given authority to put the rice program into effect for the years 1957 and 1958 or for the years 1958 and 1959 if he sees fit.

Title VI of the bill provides for—

First. Price support at competitive levels for cottonseed and soybeans if price support is made available for either. That provision was incorporated in the original bill.

Second. Freezing the transitional parity price for corn, wheat, and peanuts during 1957 and 1958 at 95 percent of their old parity prices; and

Third. A study of methods for improving the parity formula.

The provision for freezing the transitional parity price is the only provision in this title which was not contained in H. R. 12 as it passed the Congress.

Mr. President, it is my hope that the bill reported by the committee will be passed quickly and without change. It does not include all the provisions which I should like to have it contain, but considering what the President has done administratively in the past few weeks, this bill will assist—if administered as the Congress intends—in reducing production, and reducing surpluses without further depressing farm income.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me at this time without losing the floor, for the purpose of permitting me to suggest the absence of a quorum and to propose a unanimous-consent agreement.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have at the desk a proposed unanimous-consent agreement. I ask that it be read.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Friday, May 18, 1956, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed agreement?

Mr. ELLENDER. Mr. President, reserving the right to object, I wonder whether it can be understood that since consideration of the bill will continue on tomorrow, we shall debate the bill today only until perhaps 5 or 6 p. m. Many Senators have dinner engagements.

Mr. JOHNSON of Texas. Mr. President, if the proposed agreement is entered into, I shall give the Senator from Louisiana assurance that the Senate will not sit later than 6 p. m.; and then the Senator from Louisiana can keep his engagement and the majority leader can keep his.

Mr. ELLENDER. Very well.

The PRESIDING OFFICER. Is there objection to the proposed agreement? Without objection, the proposed agreement is entered.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I give notice that the Senate will meet at 10 a. m. and will complete action on the bill tomorrow, if it is at all possible to do so.

Mr. BENDER. At what time?

Mr. JOHNSON of Texas. We shall convene at 10 a. m., and shall remain through the evening, if necessary.

Mr. BENDER. Very well.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF INDONESIA

Mr. JOHNSON of Texas. Mr. President, before the Senate takes a recess so that it may go to the Hall of the House of Representatives to hear an address to

be delivered by the President of Indonesia, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the order heretofore entered, the Senate will now stand in recess, subject to the call of the Chair, and will proceed to the Hall of the House of Representatives, to hear an address to be delivered by the President of the Republic of Indonesia.

Accordingly (at 12 o'clock and 24 minutes p. m.), the Senate took a recess, subject to the call of the Chair.

The Senate, preceded by the Secretary, Felton M. Johnston; the Sergeant at Arms, Joseph C. Duke; and the Vice President, proceeded to the Hall of the House of Representatives to greet and to listen to the address to be delivered by His Excellency President Sukarno of the Republic of Indonesia.

(For the address delivered by the President of Indonesia, see House proceedings in today's RECORD.)

At 1 o'clock and 40 minutes p. m., the Senate returned to its Chamber, and re-assembled when called to order by the Presiding Officer (Mr. DOUGLAS in the chair).

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I should like to propound a unanimous-consent agreement, as follows:

I ask unanimous consent that the committee amendments to the pending bill be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement proposed by the Senator from Louisiana, the right of any Senator to offer an amendment to any section of the bill will be preserved. Is that correct?

Mr. ELLENDER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. That is customary.

Mr. BUSH. Mr. President, reserving the right to object, I should like to inquire whether the proposed agreement is agreeable to the Senator from Vermont [Mr. AIKEN].

Mr. ELLENDER. I am sure it will be. It is the customary agreement which is entered into.

Mr. JOHNSON of Texas. It is customary.

Mr. ELLENDER. If the Senator from Vermont objects, I will withdraw it.

Mr. BUSH. On that basis, I shall not object.

The PRESIDING OFFICER. Without objection, the unanimous-consent

agreement is entered into, and the committee amendments are agreed to en bloc.

The amendments of the Committee on Agriculture and Forestry, agreed to en bloc, are as follows:

On page 3, line 21, after the word "the", to strike out "1956"; in line 22, after the word "crops", to insert "and to the extent he deems practicable for the 1956 crop"; on page 4, line 5, after the word "respectively" to strike out "and such other field crops as the Secretary may designate"; on page 5, line 6, after the word "occurs" to strike out "within" and insert "not later than"; in line 8, after the word "Secretary.", to strike out "In addition to the foregoing the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."; on page 6, line 17, after the word "apply" to insert "to the termination of any contract"; on page 7, line 1, after the word "established" to insert "for 1956 and"; on page 8, line 16, after the word "feed" to strike out "grain" and insert "grains"; on page 10, line 9, after the numerals "1956" to insert "(if such a program is in effect for such year)"; in line 11, after "(a)", to strike out the comma and "including grazing lands."; in line 17, after the word "acreage" to strike out "allotments," and insert "allotments or"; in line 18, after the word "acreages", to strike out "or other standards,"; on page 12, line 17, after the word "exceed", to strike out "\$800,000,000" and insert "\$750,000,000"; in line 22, after the figures "\$23,000,000", to strike out "grazing lands, \$50,000,000," and insert "and"; in line 23, after the figures "\$45,000,000", to strike out the semicolon and "and other crops, \$50,000,000"; on page 13, line 6, after the word "farm" to strike out "acreage," and insert "acreage"; on page 14, line 9, after the word "do", to strike out "no" and insert "not"; on page 22, line 12, after the word "reimburse", to strike out "and" and insert "any"; on page 30, line 11, after the word "of", to strike out "agricultural commodities" and insert "price supported crops"; on page 33, after line 2, to insert:

EXPORT SALES PROGRAM FOR COTTON

SEC. 203. In furtherance of the current policy of the Commodity Credit Corporation of offering surplus agricultural commodities for sale for export at competitive world prices, the Commodity Credit Corporation is directed to use its existing powers and authorities immediately upon the enactment of this act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries and, in any event, for the cotton marketing year beginning August 1, 1956, at prices not in excess of the minimum prices (plus carrying charges, beginning October 1, 1956, as established pursuant to Section 407 of the Agricultural Act

of 1949) at which cottons of comparable qualities were sold under the export program announced by the United States Department of Agriculture on August 12, 1955. Cottons of qualities not comparable to those of cottons sold under the program announced on August 12, 1955, shall be offered at prices not in excess of the maximum prices prescribed hereunder for cottons of qualities comparable to those of cottons sold under such program, with appropriate adjustment for differences in quality. Such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

On page 34, line 6, to change the section number from "203" to "204"; in line 19, to change the section number from "204" to "205"; on page 35, line 6, to change the section number from "205" to "206"; on page 36, line 4, to change the section number from "206" to "207"; in line 12, to change the section number from "207" to "208"; on page 37, line 18, to change the section number from "208" to "209"; on page 39, line 22, to change the section number from "209" to "210"; on page 40, line 10, to change the section number from "210" to "211"; on page 41, line 23, to change the section number from "211" to "212"; on page 42, line 19, after the word "section" to insert "and the provisions of section 344"; in line 23, after the numerals "1956" to insert "and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956"; on page 45, line 20, after the word "prescribed" to strike out "percentages" and insert "percentage" on page 47, line 1, after the word "minimum" to strike out "State"; in the same line, after the word "for" to strike out "1956"; in line 2, to strike out the word "Crop"; after line 2, to strike out:

SEC. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows.

And in lieu thereof to insert:

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

In line 22, after the word "acreage.", to strike out the quotation marks ";"; at the top of page 48, to insert:

"(6) The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."

On page 49, line 19, after the word "future" to insert "State, county, and"; on page 50, at the beginning of line 14, to insert "(if such program is in effect"; on page 51, line 19, after the word "law", to strike out "for each of the years 1956 and 1957 in which an acreage-reserve program will be in effect for corn," and insert "(1)"; in line 22, after the word "for", to insert "the 1956 crop and, if an acreage-reserve program is in effect for corn, for the 1957 crop of"; on page 52, line 1, after the word "area" to insert

"(2) the level of price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats, shall be 76 percent of the parity price for the commodity,"; in line 4, after the word "and", to insert "(3) if an acreage-reserve program is in effect for corn,"; at the beginning of line 6, to insert "the 1957 crop"; in line 8, after the word "for", to strike out "each such" and insert "the"; in line 14, after the word "of", to insert "the 1957 crop of each of"; in line 23, after the word "of", to strike out "85 percent of"; on page 53, after the word "area", to strike out "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection." and, in lieu thereof, to insert: "Notwithstanding the foregoing provisions of this section—

"(1) if price support for the 1957 crop of corn is made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support shall be made available for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) to producers not meeting the foregoing requirements of this subsection at a level bearing the same relationship to the level of price support to producers of such feed grain who meet such requirements as (i) the level of price support for corn to producers in the commercial corn producing area not meeting the requirement of subsection (a) bears to (ii) the level of price support for corn to producers in such area who meet such requirements; and

"(2) if price support for the 1957 crop of corn is not made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) may, nevertheless, be made available to any producer who does not meet the requirements of this subsection at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program."

On page 56, after line 15, to insert:

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

SEC. 402. (a) For the purposes of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including

but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

On page 58, after line 8, following the amendment just above stated to insert:

TITLE V—CERTIFICATE PROGRAM FOR RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates"; (2) by changing the designation of subtitle D thereof to read as follows: "Subtitle E—Miscellaneous Provisions and Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"Subtitle D—Rice Certificates

"Legislative Findings

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this act.

"Effective Date and Termination

"SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice

of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

"Rice Primary Market Quota

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"Apportionment of Primary Market Quota

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"Review of Primary Market Quota

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this act.

"Price Support

"SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 percent or more than 90 percent of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which this section is applicable, but all the other provisions of such act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"Certificates

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or

the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 percent of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"Inventory Adjustment Payments

"SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): *Provided, however,* That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"Rice Set-Aside

"SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding 20 million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"Exemptions

"SEC. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed 3 acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"Processing Restrictions

"SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an

amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"Import Restrictions

"SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this act covering the rough rice equivalent of such processed rice.

"Regulations

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"Civil Penalties

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Reports and Records

"SEC. 380o. (a) The provisions of section 373 (a) of this act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"Definitions

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limited to—

- "(1) whole grain rice,
- "(2) second head milled rice,
- "(3) screenings milled rice,
- "(4) brewers milled rice,
- "(5) undermilled rice or unpolished rice,
- "(6) brown rice,
- "(7) converted rice, malekized rice, or par-boiled rice, and
- "(8) vitaminized rice or enriched rice.

"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than 100 pounds of rough rice for each 68 pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

On page 67, after line 20, after the amendment just above stated, to insert:

Normal Yield for Rice

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) 'Normal yield' for any county, in the case of rice, shall be the average yield per acre of rice for the county during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) 'Normal yield' for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such 5-year period is less than 75 percent of the average, 75 percent of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such 5-year period is in excess of 125 percent of the average, 125 percent of such average shall be substituted therefor in calculating the normal yield per acre.

And, on page 69, after the amendment just above stated, to insert:

TITLE VI—MISCELLANEOUS

Price supports—cottonseed and soybeans

SEC. 601 (a) Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

(b) The amendment made by this section shall take effect with the 1956 crop.

Transitional parity for basic commodities frozen during 1957 and 1958

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii)), is amended by inserting after "full calendar years" the following: "(not counting 1956 or 1957 in the case of basic agricultural commodities)." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

constituent assembly, have not yet been announced. Until they meet, the stature and tenure of President Sukarno's office will not be ascertained.

Now, he is an immensely popular leader of 80 million people, a superb orator whose prestige is felt throughout the neutralist world of southeastern Asia. Western critics have expressed concern that Mr. Sukarno's anticommunism has never been as vigorously stated as his anticolonialism. This attitude, however, seems understandable in a man who spent some 7 years in Dutch jails.

His slogan: "One people, one country, one language," sparked the long fight for Indonesian independence which was climaxed with a proclamation of independence (signed by him and Hatta) issued on August 17, 1945. At the same time, Mr. Sukarno declared himself president. He was unanimously elected to the office when the Dutch gave up the fight in 1949.

After the Bandung Conference a convocation of Asian-African leaders which was held in April 1955, Red China's premier, Chou-en-Lai, was cordially entertained by the Indonesians and, with the Indonesian premier, issued a joint statement promising "close cooperation in order to strengthen the mutual understanding and friendly relations between the two countries."

Mr. Sukarno opened the Bandung Conference with a reference to the anniversary of the ride of Paul Revere. He is a serious student of American history who has found ideals, it is said, in Washington and Jefferson.

The State Department is hopeful that meetings with President Eisenhower and other officials may instill a similar admiration for present-day American leaders.

Tomorrow he will visit Mount Vernon, address a joint meeting of Congress, visit the National Gallery, the Washington, Jefferson, and Lincoln Memorials.

Mr. HUMPHREY. Mr. President, as one Member of Congress, as a Senator, I personally extend the hand of fellowship to our distinguished visitor, and say that I trust the wish he expressed in his address, the hope which he so brilliantly stated, that there may be an enduring friendship between the United States of America and the Republic of Indonesia, may be realized in our time as well as in the days to come.

HOW LONG CAN THE FAMILY FARMER STAY ON THE FARM?

Mr. SYMINGTON. Mr. President, as we know, this year the Senate has devoted more time to the consideration of the farm problem than to any other single issue. It is the No. 1 domestic problem facing our country today.

In this connection, Mr. President, I read with a great deal of interest a recent article in the Saturday Evening Post by Winifred Bryan Horner of R. F. D. No. 1, Columbia, Mo. entitled, "How Long Can We Stay on the Farm?"

I wrote Mrs. Horner, and I ask unanimous consent that my letter, together with her reply, be printed in the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 16, 1956.

Mrs. DAVID (WINIFRED BRYAN) HORNER,
Rural Free Delivery, Route 1,
Columbia, Mo.

DEAR MRS. HORNER: It has been a long time since I have read an article with as much

interest as I did yours, How Long Can We Stay on the Farm.

May I offer my congratulations to you for its content, as well as the way you have so ably expressed the problem and the thoughts incident thereto.

Inasmuch as I have recently gone on the Senate Agriculture Committee, it would be a privilege to talk to you and your husband sometime when I am back in Missouri. I hope it can be arranged when convenient to you.

Again, congratulations on the magnificent piece of work, and good luck to you and yours.

Sincerely,

STUART SYMINGTON.

APRIL 22, 1956.

Mr. STUART SYMINGTON,
The United States Senate,
Washington, D. C.

DEAR MR. SYMINGTON: My husband and I are overwhelmed at the response we have received from my article in the Post, How Long Can We Stay on the Farm? Most of the letters have been from other young farmers thanking us for telling their story, which I attempted to do in an honest, straightforward and unhysterical way.

Of all the letters we received we were most grateful for yours of April 16, because we felt it represented a sincere interest in our problem. We would like to talk to you anytime you are in Missouri, and would arrange our schedule to suit your convenience.

You will not find us ready with an easy solution to the farming problem, since any of us who is acquainted with the problems knows that there is no easy solution. However, we do know many of the problems, particularly the ones in our area, and if we can be of service to you in any way by answering questions or supplying information we would consider it a privilege to be able to help. If you would like we could arrange a meeting for you with 2 or 3 farmers from the Missouri area, who, like us, are not waving any flags, but are concerned with the long-term economic and social welfare of agriculture.

We would like very much to have an opportunity to talk with you any time that you might suggest.

Very sincerely,

WINIFRED BYRAN HORNER.
(Mrs. David A.)

Mr. SYMINGTON. Mr. President, when Secretary of Agriculture Ezra Taft Benson appeared before the Senate Agriculture Committee on April 19, I asked the Secretary if he had read this fine article. He said he had not, so I suggested that he, or a member of his staff, take the time to read it. In fact, I commend this article to all nonfarmers whether they be working people, bankers, businessmen or public servants.

I hope the Secretary has read it since then, because this article presents vividly the problems faced by our farmers today.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "How Long Can We Stay on the Farm?" written by Mrs. Winifred Bryan Horner and printed in the Saturday Evening Post of April 14, 1956.

I respectfully recommend it to all Members of the Senate, because Mr. and Mrs. Horner are the type of persons who should be able to make a success in any field of endeavor.

They are qualified and dedicated young farmers in whom American agriculture and America itself have a great

stake. Yet their problem, as well as that of hundreds of thousands of other family farmers, is well stated in the title of the article, "How Long Can We Stay on the Farm?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW LONG CAN WE STAY ON THE FARM?

(By Winifred Bryan Horner)

I know how the last buffalo must have felt before they put him on the nickel, because we, too, belong to a species that is becoming extinct. We are one of the young farmer families who, in the changing agricultural economy of this country, are caught in the current price squeeze. We don't have to read the newspapers to know that. In our record books the story is clear to anyone who can add, subtract or see red.

We are the displaced persons of the year. In the midst of an abounding prosperity, we are facing our own private depression. While nonfarm income has gone up 68 percent since 1947, the farm income has dropped 38 percent. Apparently our economy is burdened with surpluses of corn, wheat, rice, cotton and farmers. No one yet has suggested that we plow under the farmer, but it seems to follow that some of us should get out of the business. There is a happy theory that this process will naturally leave only the efficient farmer.

Who really is staying on the farm? In rare instances it is the young man who has inherited or married into a going farm concern. Frequently, it is the incompetent worker who cannot go elsewhere. It is the untrained farmer with less than a high-school education who is seldom drawn to the city anyway. His alternatives are limited and the attractions are not overwhelming. He'd rather be poor in a house with a view from a hilltop than to look through a cracked windowpane in an overcrowded flat.

In most cases, the person who is staying in agriculture is the older man who paid for his farm during the golden era of agriculture, 1939 to 1951. This man, with an unmortgaged \$50,000 operation, can supply his income needs with a less than 5-percent return on his capital and nothing for his labor.

The young farmer down the road with a similar \$50,000 enterprise is necessarily faced with a mortgage on which he must make an annual 5-percent interest payment to the banker. And if he is capable and college-trained, big business is leaning over his pasture fence waving an attractive pay check. This is the farmer who is abandoning agriculture—the competent, well-trained man under 40 who can double or triple his income by going into another field.

How can the present farm economy possibly hold this young man? And what will agriculture's future be without him?

We have been farming for 10 years. With a background of three generations of lawyers, engineers, and teachers, my husband grew up in St. Louis with an ambition to farm. In college, I worked on my A. B. degree with one eye on my books and the other on Dave. He ranked in the upper 1 percent of his class and graduated in agricultural engineering. We went into farming knowing that it was a business of high risk, keen competition, and low return. We did not expect to become wealthy. We were willing to forgo a big salary in return for a 100-acre backyard for our children, the independence of being our own bosses and the beauty of a green field on a sunny day. With adequate training, at least average brains, and a willingness to work hard together, we expected to make a decent living and a good life.

We invested our original capital of \$7,500 in a milk cow and 130 acres of fertile but hilly land near Columbia, Mo. The 4 years' on-the-farm training to which Dave was en-

titled as a veteran was the boost we needed to get started. The VA instructor provided good technical help and the \$90-a-month allotment guaranteed our eating in spite of our mistakes and allowed us to reinvest the farm income in livestock and machinery. A farmer is all in one—capital, labor, entrepreneur. At this point, we were mostly labor, but we were gaining some badly needed experience.

After 5 years in the hills, we were ready to branch out. The city shine was pretty well rubbed off. We had accumulated many blisters and calluses and a fair supply of know-how and capital. We figure, and agricultural economists agreed, that our small capital would return more if we concentrated it on modern, efficient machinery and more livestock, instead of trying to stretch it to cover land investment as well. With this idea, we sold our farm at a good price and entered into an owner-tenant arrangement that is customary in the Midwest. We supplied the machinery and labor. Our partner supplied the land. The livestock was owned jointly, and the profits were split 50-50.

From our point of view, the success of the partnership depended on the productivity of the land. With the same machinery, Dave's labor could produce crops five times as efficiently on flat, fertile ground as it could on hilly, infertile land. We also felt that the landowner must share with us a healthy interest in the farm dollar as a part of his living income. A wealthy man whose farm is a weekend hobby or an income-tax deduction is often very hard to rent from profitably because he is not interested in the immediate productivity of his farm in terms of dollars and cents.

After 2 years of fairly successful tenancy, we felt we were ready to go back into land investment in a modest way, and we needed a permanent home for our growing family. I had been making loud, clucking noises like a broody hen that wants a nest for her chicks—a 4-year-old, a 2-year-old and one on the way. In addition to the 245-acre farm that we purchased at this time, we continued our existing tenant arrangement and later took over operation of another farm for which we paid a flat annual cash rent. By this time we were in high finance, not as to profits but in the staggering number of figures involved in the bookkeeping. To help keep the records straight we had a separate checking account for each farm, and I found it a temptation, when our own balance got low, to embezzle a little for groceries from one of the others. A habit which the bookkeeper deplores and maintains will land me behind bars.

Dave sees the farm situation from all angles. During the day, he is the laborer and he cusses the "damn capitalists." After supper, he works over the books and mutters about the hired help. At 41 he goes to bed and nurses a managerial ulcer.

So now we are operating 600 acres of land, part of which we own and most of which we rent from others. We are beginning to hurdle one of the toughest obstacles of modern agriculture—to compete, you have to mechanize; to mechanize, you have to have acreage enough to warrant the machinery investment. You can't afford the land investment without the machinery; you can't afford the machinery without the land. By this time, the size of our operation both requires and justifies our considerable investment in modern machinery, and our crop work is almost entirely mechanized.

We had started with a team of half-broken horses that were thrown in on the purchase of our original farm. Our change from the muscle-and-blood type of horsepower was to a 1930 model tractor. On cold mornings Dave built a corncob fire under it to get it started. His theory, which seemed fairly sound, was that if it wouldn't start, he might as well burn it up anyway.

To stock this size operation with the kind of cattle we would like would require a considerable cash outlay. So we have had to increase our cattle herd slowly through the process of simple reproduction and not-so-simple borrowed money. We borrowed the money to buy a cow, which produced a calf, which produced a check, which paid for part of the cow. If this process would proceed without any hitches for 10 years, 4 cows would normally produce a herd of 41 cows, 20 yearling heifers and the accumulated income from 81 steers. Ain't nature grand? What isn't mentioned is that cows get kidney infections or Bang's disease, or they get baling wire in their stomachs and stretch out their mortgaged heads and die leaving you holding the note. The calves sometimes don't get born just because ma was too choicy in her sex life. On the farm, the reluctant lady is finished off in short order—hamburger.

In livestock farming, we learned never to underestimate the importance of the bull. This may seem like an obvious statement, but I am talking about his economic potential to the herd. The qualities of a good cow are reproduced in one calf once a year. The bull is reproduced in our herd 30 to 35 times each year. Consequently, whenever there's any extra cash, it goes into the purchase of a better bull with more steak on his southwest quarter.

Our savings account is on the hoof. No matter how short the ready cash, we keep the best heifer calves for the permanent herd and market only the steers and undergrade females. My first thought, when the bills get pressing, is to cash in some of those dollars in the pasture, but Dave regards them as our "steak" in the future. Like any good stockman, he knows each cow and never misses a sore eye on "Huntsdale Heifer," a barbed wire cut on "Bones" or a slight limp in "Old Cow's Second Calf." Today we have one of the better smaller herds of grade cattle in the county. Our bull won the blue ribbon in the commercial-cattle class at the fair and our pen of five calves took second place.

After 8 years, our acreage had increased fivefold, representing a \$60,000 land investment, although only a small portion of this was our own capital. Our machinery had increased from 1 team to a \$6,000 line of equipment. Our cattle had increased from 1 milk cow to 35 good-quality Hereford cattle. Most important, like any sound businessman, Dave had learned to produce a good product. Our calves sold as "good-to-choice" feeders. Our crop yields were above average for our county. Our record looked good and we felt confident we were operating on a safe margin and could withstand a normal weather hazard or a reasonable drop in the market.

That was in the fall of 1951. One year later we were \$4,200 poorer. In September, 1951, we had 30 head of cattle worth about \$300 apiece, a herd investment of \$9,000. In September, 1952, the \$300 cow had dropped to \$160. The cattle were worth \$4,800. Today the same cow has gone down to \$110.

Other commodities have followed. In February, 1948, a bushel of corn on the free market was worth \$2.80. Last fall it marketed for 95 cents. At the same time the cost of producing a bushel of corn has steadily increased. The tractor to plow the field now costs \$800 more; the corn picker \$400 more. The taxes on our 245-acre farm have almost doubled since 1948. Since 1947, farm income, in terms of what it can buy, has decreased 45 percent.

Close on the heels of falling prices, in 1953 and 1954 we had two record-breaking droughts. Water became our most valuable resource. We knew that our house water supply would be inadequate during dry periods, but decided that the \$2,000 for a deep well could be better invested in livestock and

machinery, and we could have water hauled when necessary. We failed to anticipate that the bank account and cistern would go dry at the same time. I improvised a suds saver for the automatic washer out of a barrel, a piece of hose and a few scientific principles. No one turned on a faucet without due consideration, and baths were at a minimum, a state of affairs which delighted the children.

One evening, without thinking, I mentioned to some guests from town that it cost 5 cents every time we flushed the toilet. That night, after they went home, I found a neat stack of nickels in the bathroom.

But personal inconveniences were nothing compared to the tragedy of seeing our crops and pastures burn up before our eyes. In the summer of 1954, the view from our windows was desolate and our account books looked just as bleak. The cost of gasoline, seed and fertilizer to put in our crop was about \$2,000. Our gross income on what was left of the crop was \$275—a cash loss of \$1,725. Return on land and machinery investment, nothing. Return on about 500 hours of Dave's labor, nothing. What's this thing they call a minimum wage?

Have you ever tried to work out a budget on an income of minus \$2,000? It was at this point that Dave, like most of the farmers in our area, had to get a job off the farm. We gnawed our living expenses to the bone, but we couldn't cut out the three meals a day. As it turned out, Dave couldn't escape the weather. For 6 months he worked for an air-conditioning company—the mechanical approach. Now he is a meteorologist with the United States Weather Bureau—the scientific approach. At present he is putting in 40 hours a week at the Weather Bureau and 40 on the farm.

We have managed to survive our greatest natural hazard—weather. The unseasonable frosts of Michigan and Minnesota, the wet spells of Iowa, the droughts and dust storms of the Midwest are the farmer's calculated risks. But, can we now survive the hazards peculiar to the present agricultural economy? Can we continue to pay \$3,000 for a tractor and use it to produce corn that sells for only 95 cents a bushel? We are faced today with the problems of widely fluctuating prices and constantly rising costs, coupled with the unpredictable regulations out of Washington, where the farmer is tossed around like a hot potato in the political kitchen.

Farmers have pitifully poor public relations. Most nonfarming people have no conception of what we are facing, like the sweet young thing who cocked her head brightly and asked Dave, "Grasshoppers? Now let's see. Are they good or bad?"

Dave, like most thinking young farmers, realizes that we cannot hope to find an answer until we can make our problems clear and meaningful to the factory worker, the business executive, the city dweller, and particularly to the men who frame our laws in Washington. The existing farm organizations, in most cases, put forth sincere and undaunted efforts to accomplish this. But in order to be truly effective, they need a greatly increased membership of well-informed and interested persons. Too many farmers underestimate the importance of their organization and fail to relate their own participation to its success. Farmers are still poorly organized in an otherwise highly organized society, and we suffer for it. Dave has spent long hours working in our local farm bureau. We feel that this time is as important to our financial future as the hours he spends on the tractor, perhaps more so. Our lives are invested in that future.

We have seen our contemporaries leave, one by one. Some go fast, in a cloud of disgust, selling everything behind them. Most ease out slowly. First they get a good job

off the farm. Then the farm work comes to a standstill because they don't have time for both. Then it's lonesome for the family, and pretty soon they are looking at a ranch house in the suburbs.

We know these people well. We know what they are facing. Most of these men are young, competent, and vitally interested in the problems of agriculture. They follow the latest scientific developments in good farming practices. They are informed on agricultural legislation and active in policy making through their local farm organizations. They have willingly done without the frills of modern living because they were convinced of the rightness of their way of life and the importance of their work. They had been steadily doing a good job, enlarging their operations, branching out, increasing their productivity. These are the young men who, in the present change, are leaving the farm. We believe that our education and experience are your investment, because we are your stock in the future of agriculture.

With 81 percent of the farm operators now over 35, its getting pretty lonesome for the young couples these days. At most rural gatherings, you can count the farmers under 30 on 1 hand. When we bought our first farm at the age of 23, they called us those kids that bought the Martin place. Ten years later we're still "those kids." In our occupation there's nothing younger coming up, and until there is, we'll always be the youngsters in the crowd.

Where are the bright young men of agriculture? There are plenty of graduates from our agriculture colleges, but they are going into the Extension Service, research or the commercial aspects of farming. Many of them would rather work the soil, but can't manage the \$40,000 to \$75,000 investment that economists figure is required to finance an efficient farm operation. What if a \$50,000 investment were required in other occupations? In 20 years' time, who would heal our sick; who would teach our children; who would interpret our laws? What is going to happen to farming? Who, then, will operate our farms?

We are vitally concerned and wish to be a part of the agricultural future of this country. We feel that our work of producing food is important and we know that we have the training and experience to do it well. We want to stay in farming. We like the life for our family. But we have a continuing obligation to provide our children with a decent standard of living, good medical care, and adequate educational opportunities. Bills mount up, reminding us of more immediate obligations.

Once again, Dave and I are faced with a decision. Our expenses are increasing. Our income is decreasing. Our indebtedness is mounting. Can we afford to stay in farming? That is our problem. But the problem facing this country today is that agriculture needs us for its future.

THE PROBLEMS OF THE SMALL FARMERS

Mr. SYMINGTON. Mr. President, the Weekly Record of New Madrid County, Mo., recently published some figures that speak eloquently about the problems of the small farmer in one of Missouri's richest agricultural areas.

Based on reports filed with the Farmers Home Administration, 99 farm borrowers had an average net farm income in 1955, after living and operating expenses, of only \$65. In the preceding year, the average net income was \$396.

Ironically, the farmer suffered this drop in net income despite the fact that

his gross income rose from \$4,679 in 1954 to \$5,468 in 1955.

Average operating expenses rose from \$2,405 to \$3,240, and average living expenses rose from \$1,210 in 1954 to \$1,295 in 1955.

Mr. President, I ask unanimous consent that the article from the New Madrid County Weekly Record of April 27, 1956, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECORDS SHOW FARM NET INCOME DECLINE PRODUCTION UP BUT PROFIT DOWN LAST YEAR OVER 1954

Well-kept records of 99 New Madrid County farmers show that their average net farm income, after all current family living and farm operating expenses were paid, was only \$65 in 1955, as compared with an average net of \$396 the preceding year.

That great decrease in net came in spite of the fact that both their production and gross income was up in 1955 over the preceding year.

The figures came from records of 99 farmer borrowers of the New Madrid County Farmers Home Administration, both landowner and renter type.

Average size of the farms increased from 89 acres to 102.6 acres in the period covered and per acre production on those farms was up for cotton and corn, but down a trifle for beans. They averaged 530 pounds of cotton in 1955 against only 444 pounds in 1954. Corn produced a 38.75 bushel average last year against the preceding one, but bean production was only 17.23 bushels in 1955, while in 1954 it was 18.72.

Gross income for the average farmer covered by the FHA records was \$5,468 last year against \$4,679 in 1954.

Cause of the decrease in net income was the continuing rise in farmer costs as shown by the figures of average expenses.

Family living expenses were up only a trifle, from \$1,210 to \$1,295, but farm operating expense jumped from \$2,405 in 1954 to \$3,240 last year, and capital purchases increased from \$668 to \$868.

Living expenses include food, clothing, medical, and other family costs; operating expenses are seed, fertilizer, labor, and small implements used in production of the crop, and capital purchases include major items, such as tractors and other large farm equipment.

DISCRIMINATORY TAX PROPOSAL IN HIGHWAY BILL

Mr. NEUBERGER. Mr. President, on May 17, 1956, State Representative Loran L. Stewart, of Cottage Grove, Oreg., testified before the Senate Finance Committee on H. R. 10660, the Federal highway bill that is now before Congress.

Representative Stewart, who served on the 1954 Oregon State Highway Legislative Interim Committee and as chairman of the Oregon House Ways and Means Committee in the 1955 legislative session, has pointed out a very discriminatory feature of the highway bill.

This discriminatory feature would increase the tax on gasoline and rubber used by trucks that travel a good share of their mileage off the public highways and on private roads, maintained by the lumber industry, in the forests where logs are gathered to the mill where the timber is processed.

Mr. President, under the Oregon weight-mile tax on trucks, a refund is made on the gasoline tax paid when the trucks travel over private roads. The experience with this State legislation in Oregon has been good, and I believe that it deserves careful study in the enactment of Federal gasoline and rubber taxes.

The lumber industry is vitally important to the economy of the Pacific Northwest. I feel that taxes which discriminate against so important an industry should not prevail.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the statement given this morning by State Representative Stewart before the Senate Committee on Finance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL HIGHWAY ACT OF 1956—H. R. 10660 (Statement of Loran L. Stewart in behalf of the National Lumber Manufacturers Association before the Senate Committee on Finance, May 17, 1956)

Mr. Chairman, gentlemen of the committee, I am Loran L. Stewart, of Cottage Grove, Oreg. I am president of the Bohemia Lumber Co., located east of Cottage Grove, Oreg. We are a small company; we do not own any timber of our own and are entirely dependent upon the United States Forest Service and the Bureau of Land Management for our supply.

I am director of the Industrial Forestry Association and a member of the West Coast Lumbermen's Association of Portland, Oreg., both of which are organizations of loggers, forest owners and lumber manufacturers in the Douglas fir region. I am here representing my own area and also the National Lumber Manufacturers Association, a nationwide organization of the lumber industry. With your permission, I would like to file for the record a statement prepared by the National Association on the revenue features of H. R. 10660, the highway bill, as it affects logging and off-highway use of logging trucks.

I have had the good fortune of being a member of the Oregon State Legislature for the last three sessions. In two of them I was a member of the house highways committee as well as the highway interim committee. At the present time I am chairman of the house taxation committee, so I am somewhat familiar with both highway and tax problems in the State of Oregon.

Highways are one of our important assets and we in Oregon have bonded ourselves to the limit of our capacity for construction of important highways, and we are still short of the necessary transportation facilities. We in Oregon, and I am certain the lumber and logging industry of the Pacific Northwest and the United States are wholeheartedly in accord with an improved highway system. We also recognize that an expanded highway construction program is going to cost a great deal of money and someone must pay the bill. We should bear our fair share of the cost because we will benefit proportionately in marketing our products.

But there is a feature of this highway bill that gives wholly inadequate consideration to the problems of our industry and which on its face is highly discriminatory and inequitable. As I understand the intent of this bill from reading the House committee's report, the highway user will pay the cost of building the proposed highways through higher taxes on motor fuels, tires and trucks. This idea seems to be brought out clearly by the fact that gasoline used in boats and airplanes is exempted from the tax increase and, as indicated in the committee report,

the tax will not apply to operation of mammoth trucks used exclusively off the highways. It would be consistent with this approach that all equipment used off the public highways should be exempt from the tax increases or allowed refunds to the extent that taxes are imposed and paid; also equitable allowance should be made for the fact that trucks operate both on and off the highways.

I estimate that over three-fourth's of the logging trucks in the Pacific Northwest are off-highway users during some portion of their trip from the loading point in the woods where logs are assembled to the point where they are dumped in the mill pond or mill yard. The tax increases and the new taxes proposed in this bill will fall heavily upon our industry and particularly upon the small independent contractor engaged in logging. The bill in its present form is highly discriminatory because—

1. It taxes us for use of our own trucks over our own roads which we have already built and paid for.

2. Notwithstanding that loggers will pay highway use taxes under this bill, they will have to continue to build and maintain thousands of miles of roads annually at their own expense.

Since the Federal Government seems to be embarking for the first time on the highway use theory of taxation recognized in many States, what our industry is seeking before this Committee is recognition from the start that nonhighway use—that is, operation of motor vehicles over privately-owned, privately-built or privately-maintained roads—should not be subject to highway use taxes. My own State of Oregon recognizes this principle.

May I diverge here to explain the workings of the pertinent part of the Oregon law? It is based fundamentally on two principles: First, the privilege tax which is, in effect, the license fee. Any truck or car that travels a mile or 100,000 miles on our highways is subject to this tax. A completely off-the-highway vehicle does not pay this tax because it is not privileged to use the highways. Second, the "use" tax which takes two forms: One, the gasoline tax which in effect says the more miles you use the highways, the more tax you pay. Two, the weight-mile tax which applies to heavier vehicles. The scale of this tax is graduated from the lowest weight to the highest weight vehicles, so in effect the more weight they carry, the more money they pay to use the highways. I believe, gentlemen, that this is exactly what this bill is attempting to do—the more gasoline or rubber used, that is, the more miles traveled, the higher the taxes.

Now let me explain a little of the mechanics of the operation of our use tax. Gasoline used in vehicles not operating on public highways is not subject to the gasoline use tax. If a logging truck operates over 10 miles of private roads and over 10 miles of public roads, the operator can apply for a refund on the gasoline consumed over the private roads, based on proportionate mileage, and on records that the Secretary of State requires him to keep.

The weight-mile tax I spoke of, which is also a use tax, is based on the same principle. If a logging truck operates over 10 miles of private road and over 10 miles of public road, it pays the weight-mile tax only on the mileage traveled over the public road. The mileage and trip records are kept on forms prescribed by the Public Utilities Commissioner, who makes periodic audits to see that proper payment is made.

Now, gentlemen, this has proved to be a relatively easy system to administer. Let me give the history of a test that was performed to determine the accuracy of collections and the extent of evasion, if any. In 1954, the Oregon State Highway Interim Committee, of which I was then a member, wanted to

determine the operation of the weight-mile tax in Oregon. The committee hired an independent out-of-State organization, the Stanford Research Institute, to examine the records and results. They spent about 4 months in Oregon making various checks in cooperation with State police, highway officials and other agencies. After a very detailed analysis, they found that Oregon was losing on the first direct return 3.4 percent of the taxes due. This was phenomenally low and did not reflect a true picture of the satisfactory operation of the system because this deficiency was picked up in the course of regular audits by the Public Utilities Commission. I am sure the Stanford report is available if this committee would like to examine it.

The experience of my State amply refutes the implications found in the report of the House Ways and Means Committee on this bill that allowances for nonhighway use, as urged by our and other industries before the committee, would be difficult to administer. Further, I think the principle of our proportionate mileage tax based on allowances for mileage operated over privately owned or maintained roads, could be extended to use of tires. The statement of the national association that I have filed covers adequately the fact that rubber is a very substantial item of cost in logging operations due to the classes of roads over which we operate. For this reason, logging operators keep detailed cost records on tire use, sometimes by individual tires upon which refund allowances could be based to the extent these tires are used off the highways. Such allowances might also be based on records kept for nonhighway use of fuel or the weight-mile tax, using the proportionate mileage principle. I might say that all the breaks would be in favor of the Government as our consumption of fuel and rubber may be 2 to 6 times as high operating over logging roads as over public highways.

In conclusion, I would like to say that highway use taxes are so clearly discriminatory when applied to off-highway use, Congress should immediately and completely recognize the fact in this bill. There is no reason to defer this until studies are made as to whether highway use taxes are equitable as applied to all classes of highway users. Broad powers may be given to the Treasury Department to prescribe regulations governing refund provisions and to place the burden of proof upon the nonhighway user applying for refund of taxes paid. Such refunds should be limited to the tax increases proposed in this bill or to the amount of the new taxes proposed. It is my understanding that Senator MAGNUSON of Washington will offer an amendment to this effect.

PRECISION SKILLS

Mr. MANSFIELD. Mr. President, I understand the Office of Defense Mobilization is now considering the defense essentiality of the jeweled watch industry and its importance to this country. I should like to point out to the Senate that there are some skills which no civilized nation can afford to lose. This we take for granted when we consider the problem of providing food, clothing, and housing for our people. These are obvious needs, and we have insured a continuing supply of these necessities by farm-price supports and by Government-guaranteed housing loans.

Possibly because it is a small industry, as American industry goes, we have overlooked the fact that no nation in our fast-moving world of today can be dependent on another nation for the skills needed to produce timing devices.

It is not a mere matter of producing watches and clocks. To keep time in a fixed place is a relatively simple matter. Our problem is vastly complex, since we must be certain that at all times we have the engineering skills and technical know-how to produce devices which will control the movement of objects through space at speeds that are sometimes fantastic.

To do this we must maintain and develop our horological skills. We must be certain we have plenty of men and women who know how to design and manufacture such basic devices as watches, chronometers, and airplane clocks because we need such persons to design and manufacture devices that will guide and control missiles that move at incredible speeds. This latter need was emphasized during the early days of the Korean war, when the Navy found that lives of its pilots, flying planes carrying antitank rockets, were imperiled because of a poorly designed timing device. Our horological engineers were called on to produce an adequate timing device within 30 days.

Fortunately because we have a jeweled watch industry, this was possible. It is in this industry that we find the design and production engineers, the chemists, and the metallurgists who can manufacture not only watches but also timing devices that were undreamed of a generation ago. For example, when the manufacturers of electronic calculators needed a metal tape capable of recording complex and sensitive impressions at extremely high speeds, they turned to the jeweled watch industry to fabricate the metal.

It has been argued that any manufacturer of timing devices can do everything the jeweled watch industry does except make jeweled watches. This is true only to the extent that more often than not the jeweled watch industry has to show the other manufacturers how to do it. During World War II, when the mass production of fuses was imperative, the jeweled watch industry showed a number of manufacturers how to produce the fuses. More recently, when the manufacturer of a new and extremely accurate gyroscope needed parts tooled with the utmost precision, the jeweled watch industry furnished him with them.

If we in the United States underestimate the importance of our watch and clock industry, we can be certain the Russians are not underestimating theirs. In his recent speech to the 20th Congress of the Communist Party of the U. S. S. R., Party Boss Nikita Khrushchev told the assembled comrades that Russia will step up its production of timepieces from 19.5 million a year as of 1955 to 33.6 million by 1960. Since those who make timepieces are the ones who best know how to make timing devices, it is obvious that Khrushchev is less interested in giving the Russians watches and clocks than he is in making certain that Russia's rockets and missiles go off on time.

The Russians are simply responding to a fact of life that we and other nations tend to ignore, namely, that every industrial nation must have its own horological industry. Between World War I and

World War II Great Britain allowed foreign competition to destroy its horological industry. As a result, the British had to improvise, and not very adequately at that, when the manufacture of timing devices became imperative in World War II. Now the British have imposed high tariffs and quotas on foreign watches and have provided immense subsidies to watch manufacturers. The French have done the same thing, and so have the Germans.

There is no question at all in my mind that we in this country must turn our minds to the problem of saving our horological industry, and we must do it quickly.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles;

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1956, he presented to the President of the United States the enrolled bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilizing of privately owned shipping services in connection with the transportation of privately owned vehicles.

AGRICULTURE ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. AIKEN. Mr. President, I do not wish to take much time today on the bill. In fact, I shall not want to take much time tomorrow, when the Senate will begin to vote on the proposed amendments and finally on the bill itself, because I believe that as the different amendments are proposed, Members of the Senate will understand pretty well what they mean, without any prolonged debate, and I hope we shall be able to conclude action on the bill as early as possible tomorrow.

Let me say, Mr. President, that the bill as reported by the Senate Committee on Agriculture and Forestry does give more hope for the establishment of a soil bank program, and certain other phases of the agricultural program, than did the bill which was vetoed by the President a month or so ago.

The soil bank provisions in the bill are pretty broad. They put a great deal of responsibility upon the shoulders of the Secretary of Agriculture. In writing the bill, we have undertaken to word it so that the Secretary is not instructed to do the impossible for this crop year of 1956.

Under a recent date, Mr. President, I received a letter from the Secretary of Agriculture. The members of the Senate committee are in possession of the letter. However, in order that all Members of the Senate may know the contents of the letter, I ask unanimous consent to have it printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C.

HON. GEORGE D. AIKEN,
Senate Committee on Agriculture and Forestry, United States Senate.

DEAR GEORGE: This is in response to your request for my comments on the possibility of getting a soil bank into operation on the 1956 crops.

H. R. 10875 contains the following language in section 103: "the Secretary of Agriculture * * * is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops * * *."

Section 103 further provides that "Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage-reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary."

It is now the second week of May. Wheat will soon be ready for harvest in the southern Great Plains. Winter oats and barley in the southern half of the country will soon be ripening. Much of the cotton is planted. Spring grains are mostly seeded. Corn is being planted. By the end of May 1956, plantings will be virtually completed.

I would not be discharging my responsibility if I failed to point out the grave difficulties associated with trying, at this late date, to get a soil bank operating on 1956 spring seeded crops.

Inclusion of feed grains in the acreage reserve requires the establishment of base acreages for these crops: oats, rye, barley, grain sorghum and corn in the noncommercial area. This means the assembling of data and the determination of bases on 100 million acres. We presently operate programs on 170 million acres. This provision would require an expansion of almost 60 percent in the scope of our operations. It would be necessary for local committeemen to establish for every farm a normal yield for every crop in the acreage reserve. In order to be equitable, one farm with another and one area with another, these yields would have to weight out to county check yields.

Even though we would do our utmost, we could not have this tremendous task accomplished, together with the necessary writing of contracts and checking of compliance, prior to the harvest date for many of these feed crops.

We have gone as far as we could go in making ready for the administration of this program, taking into account the many uncertainties as to its eventual form. But obviously we cannot write procedures before the law is passed, and questions of major importance regarding the legislation are still being debated.

Some may contend that we should omit the established procedure of determining bases and proceed on the basis of unverified data. Our experience is that unless historical data are used, the reported acreage figures may be in error by as much as 30 or 40 percent.

To launch a program like the soil bank at this late date, for 1956 spring-seeded crops, with inadequate data and hastily developed administrative machinery, would have these adverse effects:

1. Participation would be low. Farmers, with their crops already planted and with their investment already made in seed, fertilizer, and labor, would be reluctant to enter the program.

2. The intended reduction in production would not be accomplished. Since participation would be low and since the farmers most likely to come into the program would be those whose crops were likely to turn out below average in yield, the intended purpose of the program—reduction of surpluses—would not be satisfactorily achieved.

3. Costs would be excessive. The inducement necessary to cause a farmer to enter the program would be greater after he has made his outlay of money for production expenses than it would be if contracts could be made before planting.

4. It would be difficult to make the program properly effective in later years. If the program is launched hastily, precedents are established which prevent proper administration for the following years.

5. The program would be discredited in the minds of farmers and the public generally. The soil bank has much promise if it can be properly operated. If, in the first year of its operation, farmers do not participate fully and the program is demonstrably ineffective and expensive, then the program may be erroneously judged a failure. This would be especially true if it becomes a plow-up program. This program should be given a fair chance to operate.

On several occasions, the critical time element in this program has been referred to.

In his discussion before the Senate Committee on February 6, Under Secretary Morse submitted a summary which contained this statement: "If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1956." This statement was made with respect to the program recommended by the administration, which embodied an acreage reserve pro-

gram intended to apply only to wheat, corn, cotton and rice. Since then the program has been made more complex and has been extended to feed grains, tobacco and peanuts, thereby adding substantially to the workload. Grazing lands are added in the House bill.

In his April 16 message regarding his action on H. R. 12, the President said: "The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops."

In my appearance before the Senate Committee on Agriculture on April 19 I said: "Farmers should know as promptly as possible the terms of the acreage reserve so as to plan for fall crops. Plowing will be underway within 90 days—they comes liming, fertilizing and seeding in rapid succession."

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeded crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

Mr. AIKEN. In the letter the Secretary points out that because of the lateness of the season, it would be almost impossible for him to apply the provisions of the soil bank this year, particularly to crops which are planted in the spring. I think the tenor of his letter applies primarily to the acreage-reserve feature of the soil bank. However, if we could get a considerable amount of proposed legislation on this subject passed and on the desk of the President in acceptable form in the next week or so, it appears to me that it might be possible before very long to start work on the conservation reserve phase of the soil bank; and then, when fall comes, of course the acreage reserve would be applicable to the crops of wheat and rye, which are planted in the fall, and possibly in some sections of the country to winter oats or barley, although I am not sure as to that.

The bill contains some good provisions, among them provisions which will be of great interest to the small-cotton growers of the South, and provisions relating to forestry, which could be very helpful in almost all sections of the country.

In the bill there are 2 or 3 provisions of which the administration does not approve, particularly the provisions relating to mandatory support prices for feed grains. As the bill is written, it would support feed grains at 76 percent of parity for this year, 1956. The reason why 76 percent of parity level was arrived at is this: Noncompliance corn is being supported this year at \$1.25 a bushel, which amounts to 71.7 percent of transitional parity which applies to the corn crop this year. That is 75.7 percent of the modernized parity price for corn, and if applied on a comparable basis to feed grains, would provide 75.7 percent supports for grain, sorghums, oats, rye, and barley as their parity prices are computed under the modern-

ized formula. So we have no particular objection to the provisions of the bill which would support feed grains at 76 percent of parity for this year, 1956. In fact, inasmuch as the price has gone up in recent weeks, that probably would result in a support price not far from the market price at the present time.

However, the administration objects to tying the support level for feed grains to the support level given to compliance corn grown in the commercial areas after this year. We do not believe it would be correct to tie the price of feed grains to the price of the higher grades of corn and the highest-priced corn. It is possible that we might agree to support the price of feed grains another year at the same comparable level—I say "the same comparable" level; it might not be the same percentage level—as that at which noncompliance corn is supported in another year, too.

At any rate, tomorrow, when we begin to consider the amendments in detail, we shall take up this proposal, and shall discuss it more fully. I hope we may arrive at decisions—which may entail compromises in some ways—which will enable us to obtain a bill which, even though not fully applicable this year, will be applicable for the fall-planted crops for the next 3 years thereafter.

Mr. DANIEL. Mr. President, will the Senator from Vermont yield for a question?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. AIKEN. I yield.

Mr. DANIEL. The Senator from Vermont is familiar with the provision with respect to feed grains which was included in the House bill, is he not?

Mr. AIKEN. Yes.

Mr. DANIEL. It calls for 81 percent support, but requires at least 15 percent of the average acreage for the past 3 years to be put into the acreage reserve or conservation reserve program.

Mr. AIKEN. That is correct.

Mr. DANIEL. Did the committee feel that the change it made would cost the Government more money or less money? In other words, the change which has been made by the Senate committee would not require that any of the acreage be set aside. Some of the feed-grain farmers feel that will cause the planting of considerably more acreage.

Mr. AIKEN. That will depend. The Senate committee changed the bill, so that feed grains would get the same treatment as that given to corn; and that would require feed-grain farmers after this year—they are not required to reduce the acreage this year; in fact, most of it is already planted—to retire an amount of their cultivatable cropland equal to 15 percent of their base acreage for feed grains. They could take that out of the land they plant to sorghum or the land they plant to wheat or the land they plant to alfalfa, or even out of the land they plant to good tame hay. If they should take it out of land they plant to hay, it probably would not reduce the overall feed production of the country as much as would be the

case if they took it out of land they plant to sorghum, and certainly it would not reduce the overall feed production of the country as much as if they took it out of land they plant to corn.

However, in some places there will be a greater incentive to take it out of land they plant to a higher-priced crop, because they will get more pay for doing so. If they were to take it out of land ordinarily planted to hay or alfalfa, they would receive only the pay which they would receive for putting it into the conservation reserve. If they place feed-grain acreage in the soil bank, they will receive acreage reserve payments, which are much higher. But under the bill, they are required to retire an amount of their overall cropland equal to 15 percent of their feed-grain base acreage in order to get the higher support price next year.

Mr. DANIEL. That is for next year, is it?

Mr. AIKEN. Yes, next year. This year, it is so late that they simply cannot be required to do it.

Mr. DANIEL. Let me say to the distinguished senior Senator from Vermont that the information we have received from the feed-grain producing States is that it is not too late, and that they can comply, and that they would like to see in the bill a provision permitting some of the acreage to be retired from production, so as to avoid overproduction. If we find that to be the sentiment of the feed-grain producers, and that they are giving us the true facts about still being able to comply, what would be wrong—even though this requirement is not made with respect to corn—with providing that for this year, feed-grain producers who retire 15 percent of their base acreage will receive 81 percent support, as the House has provided?

Mr. AIKEN. The House did not provide that next year they would receive any support above the present law, which this year is 70 percent. The House provided that it would be 81 percent next year, assuming that the support level for corn grown in the commercial area in compliance with the acreage allotments was 86 percent. But there is no assurance that that will be done. It is not known what it will be next year.

Mr. DANIEL. Then the Senator from Texas has not correctly interpreted the House version of the bill, because his interpretation of the House version is that it would provide 81-percent support for feed-grain farmers who retire 15 percent of their base acreage.

Mr. AIKEN. Not this year.

Mr. DANIEL. Not this year? I wonder whether the Senator from Vermont has checked on that.

Mr. AIKEN. The counsel tells me that that is only if the acreage reserve program is in effect for corn this year; and undoubtedly it will not apply this year.

However, as the Senator from Texas states, there is still a possibility that some crops could come under the soil-bank program for this year, because I understand that in his section of the country there is still time to plant sorghum.

Mr. DANIEL. Yes.

Mr. AIKEN. Possibly if the bill is enacted promptly it might be applied to some of the northern tobacco fields, where planting is not yet done. From here north, if the tobacco was planted before yesterday, it probably froze last night.

Mr. DANIEL. Would the Senator object to a provision of 81 percent support for those farmers who do lay aside 15 percent of their base acreage for this year?

Mr. AIKEN. I think we would have to do so, because feed grains include oats, barley, rye, and sorghum. The oats are practically all planted.

Mr. DANIEL. Would the Senator object to 81 percent of parity for producers who do lay aside 15 percent of their base acreage and put it in the soil bank?

Mr. AIKEN. Eighty-one percent would be an increase of 16 percent over present supports. I am sure there would be an uproar in most places in the country over that, because, after all, there are only about 220,000 farmers in the United States who produce more than a thousand bushels of feed grain to sell. Most of the States would lose heavily by reason of an artificial increase of 16 percent in support prices. I think the Senator's own State of Texas would lose something like \$39 million a year, because there are so many more feeders than there are grain producers. After all, much of the grain which is produced for feed is in the nature of a stepchild. If one crop fails, the farmer can plant another. In the South the farmers can plant sorghum. In the north they can still sow barley.

I shall present figures tomorrow which will show just what the effect on each State would be. Of course, another factor is that acreage allotments for feed grains have not been established for this year. That is one reason why we cannot put the suggested program into effect. It is physically impossible to measure all the farms of the country this year to establish base acreages for feed grains. The Secretary says it is a physical impossibility to do it, so he strongly recommends that anything of that nature go over until next year.

There might be counties in which base acreages could be established—for example, a county in west Texas or east Texas. Possibly base acreages could be established for certain other counties. But for most farms, if the Senator will read the Secretary's letter, which I placed in the RECORD today, he will see that the Secretary points out the physical impossibility of establishing feed grain base acreages this year.

Mr. DANIEL. My question was based upon only those instances in which it would be possible for the base acreage to be figured and for the farmers to comply and retire 15 percent of their base acreage. For example, I think the figures for Colorado, Oklahoma, New Mexico, the Panhandle, and south plains of Texas, and Kansas show that producers of about 60 percent of the grain sorghum of the country can still comply, and that quotas can be computed.

My question of the Senator is simply this: In cases where that is possible, with

farmers reducing their acreage 15 percent, would we not be justified in paying the higher parity of 81 percent, and paying the 76 percent, as the Senate committee has provided, in instances in which the feed grain producers cannot comply or do not retire 15 percent of their acreage? The point I am driving at is this: Grain farmers tell us that they are going to have a greater over-production than ever unless there is some incentive to cut down their acreage this year.

Mr. AIKEN. I would not agree to that. According to the latest estimates of the Department of Agriculture, the feed-grain growers have voluntarily reduced their plantings this year about 6 million acres, which is about 4 percent below last year. Texas happens to be 1 of 4 or 5 States of the Union in which more than 5 percent of the farm income comes from feed grains. In North Dakota, 13 percent or more, of the income comes from feed grains. I do not know whether those figures are based upon a normal year or not. The figures I have are for 1954. There has been to some extent compulsory reduction in the planting of wheat and cotton in some years. At 81 percent of parity for the feed grains, if we were to increase the price of what the Texas people buy proportionately, the increased cost of the feed grains would be \$26,800,000 a year.

Mr. DANIEL. The Senator means for those who buy the feed grains, does he not?

Mr. AIKEN. That is correct.

Mr. DANIEL. But does the Senator realize that the feed-grain producers are competing with those who buy feed grain in the poultry business and the cattle business, and that they are glutting the cattle and poultry markets by putting their own feed grains into their own poultry, cattle, hogs, and other livestock?

Mr. AIKEN. What the Senator proposes is to give the feed-grain producers of Texas another 15- or 16-percent increase in the support price, but to require them to reduce their acreage 26 percent, so he would raise the prices and reduce the income.

Mr. DANIEL. I understand that is not true. The farmers from whom we have heard agree that the Senator's figures as to total acreage reduction would be true in some instances. When we consider the 3-year average, it may mean that they are reducing acreage 25 percent, as compared with 1955.

Mr. AIKEN. The 3-year average represents a reduction of 10 or 11 percent from the 1955 figure. If we add 15 percent to that, we arrive at a figure of a 26-percent reduction.

Mr. DANIEL. The farmers who are raising feed grains say that that is exactly what should be done. They say that they should reduce acreage this year, and that an incentive should be given for them to do so; otherwise there will be an overproduction of feed grains. The Senator from Vermont is agreeing that there would be quite a reduction in acreage planted to feed grains if the House version were followed.

Mr. AIKEN. Yes. It is expected that there will be a reduction of about 6 million acres anyway.

Mr. DANIEL. Would not that be desirable, if we wish to cut down overproduction?

Mr. AIKEN. I am not so optimistic as to the completely beneficial effects of the soil-bank program as are some of its advocates. This is pure guesswork. I have no crystal ball. I doubt whether any real surplus of feed grains will be produced this year. I do not believe the amount we have on hand will be reduced to any great extent, but I do not think it will be added to.

Mr. DANIEL. The producers, who say that they speak for quite a few of the grain-growers in Colorado, Oklahoma, New Mexico, Kansas, and Texas, represent to us that under the provisions of the Senate bill there will be a greater probability of overproduction of feed grains, because there is no incentive for them to reduce their production.

Mr. AIKEN. Certainly if there were a stronger price incentive there would have to be stronger controls, in order to hold production in line.

I will say to the Senator from Texas that I have noticed quite a reduction in the volume of our correspondence relating to farm legislation. Since we began discussing this subject a couple of months or so ago soybeans have gone up to \$3 a bushel. Hogs have gone up to 17 cents a pound, and 4 inches of rain have fallen over a great area of the country which was suffering the most. Any one of those three things will probably do as much good this year as whatever legislation we may enact. At the same time, I think we should try to have a good bill enacted, so that we can put into effect the conservation reserve feature of the program this summer, and, when the time comes to plant winter wheat, put the acreage reserve program into effect.

Mr. DANIEL. Mr. President, am I to understand that the Senator from Vermont will support the Senate committee's version of the feed-grain proposal?

Mr. AIKEN. For this year; yes.

Mr. DANIEL. For this year?

Mr. AIKEN. Yes. In that respect we would split the differences so far as the House figures are concerned, and instead of providing no increase at all this year, and 16 percent next year, we would split it, and have 76 percent support for this year. I will go along with that. That is a very substantial increase, although the market price for these feeds has been working up, and the price in the open market is pretty nearly up to that support price.

Next year, if there is a support price for noncompliance corn—and I expect there will be—then we can give the feed grains a comparable support.

It seems to me this is a pretty fair arrangement. If we can work it out, together with 1 or 2 other things, there should not be too much trouble about getting the bill through quickly and in such shape that there will be no reason to question it. I am inclined to think that, although it might not reduce the total supply of feed grains quite so fast as the Senator from Texas would like

to have it done, it would not result in any increase, or much of an increase, this year, because, except for the Senator's own territory, and a little of the barley area, feed grains have already been planted.

Mr. DANIEL. As I understand, the exception would apply to about 60 percent of the country's grain sorghums.

Mr. AIKEN. We have left the bill in such shape that if the Secretary of Agriculture finds it physically possible to do so, he may put an acreage reserve into effect in some of the sorghum areas this year. I do not know, but I suppose in the Senator's State planting is done until the first of July, in some areas.

Mr. DANIEL. I believe that is true.

Mr. AIKEN. The Secretary would have authority to take such action if he could physically do it. However, we cannot establish base acreages in that length of time, from which base acreages there would have to be taken off 15 percent if he participated in the acreage-reserve program for feed grains only. That could not be done this year. Therefore, we have let the farmers go into the conservation reserve this year and will support their product at 76 percent. Those two things will create better conditions than last year, but probably will not reduce the total production as fast as the Senator from Texas thinks it ought to be reduced.

Mr. DANIEL. I thank the Senator from Vermont. I should like to ask him to consider the statements and telegrams and other messages from producers who contend that the quota can be established, at least on sorghum grains, and that they would like to be required to take a cut, if the parity price incentive could be provided.

Mr. AIKEN. The Senator from North Dakota [Mr. Young] is on the floor, and I believe he will agree with me that we have left the bill open for the establishment of base acreages if it is found physically possible to establish them. However, it must be remembered that 2 million farms must be measured before all farm base acreages could be determined.

Mr. ANDERSON. Mr. President, when we come to vote on the farm bill tomorrow, we shall have to give careful consideration to an amendment which I understand will be proposed, to strike out the quota on extra long staple cotton. I desire to comment briefly on that.

The problem which seems to arise in connection with extra long staple cotton concerns a provision that would make the bale import quota apply to all cotton having a staple length of $1\frac{1}{8}$ inches or longer. Our difficulty seems to have resulted from the importation of Peruvian cotton of an inch and eleven-sixteenths and longer.

When the first proposals were made in the Committee on Agriculture and Forestry, they were designed to bring under control the importation of Peruvian cotton, and were not designed to strike the Egyptian long-staple cotton provision.

At that time it was felt that the Peruvian cotton, which was exempted in 1940 for defense purposes, should remain as

it was, that it should be used for defense purposes; that if not used for defense purposes, it should not be imported. First a few hundred bales came in; then a few thousand bales; now there are fourteen or fifteen thousand bales coming in each year; and in a short time, there will probably be 30,000 bales, as American capital goes into Peru and develops a new type of cotton for export to the United States. This is completely contrary to what had been our original understanding.

The inch and eleven-sixteenths cotton is not grown in the United States, and there was no real objection to letting a small amount come into this country when the Government needed it for parachutes, and things of that nature. However, when it is used as a means of forcing a reduction in Egyptian quota, and making impossible the sale of American long-staple cotton, I think it is a mighty bad thing, Mr. President.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Mexico said that the Government has to have some of that cotton in order to make certain materials which are being used now.

Mr. ANDERSON. That is correct.

Mr. JOHNSTON of South Carolina. Certain mills have been adjusted to use that particular type of cotton, and it is necessary that they have some of it.

Mr. ANDERSON. Yes; there is no question about that. I concede to the Senator from South Carolina that so long as the cotton is brought in for the manufacture of materials under Army contracts, there can be no valid objection against it; and I have never had any objection under those circumstances.

Mr. JOHNSTON of South Carolina. We do not need large amounts of it, as we did during World War II. At that time we needed three or four hundred times the amount we need at the present time.

Mr. ANDERSON. That is correct. My hope has been that, in trying to handle this extra long staple cotton provision, we will not create trouble all over the world. We are merely trying to correct a situation arising from the importation of Peruvian cotton in quantities far beyond those contemplated when the act was in effect.

Originally I sought to amend the language of the provision, so that at no time could the importation exceed a certain number of bales. Someone said, "Well, a war situation might arise, when the country would want to have a lot of it in a hurry."

I do not believe Congress would take very long to change such a provision if the occasion arose. However, we could still provide that, except upon the certification of the Secretary of Defense that the cotton was needed for defense purposes, the amount of cotton should not exceed—and insert the number of bales that would be reasonable.

Unfortunately, language was placed in the bill in a different fashion, and attempts may be made to strike the whole thing.

I wish to point out that the American grower of long staple cotton, who is largely located in California, Arizona, New Mexico, and western Texas, has just as much right to his market as do the Peruvians and Egyptians. If we tamper with this too long, and make too many restrictions, I believe we will find the American producer insisting that we go still further in the barring of these importations. That, I think, would be unfortunate.

Furthermore, the people in the Southwest have been disturbed by the insertion of an amendment which will fix and freeze for the next 3 years for States the allotments for upland cotton.

I desire to ask unanimous consent to have printed in the RECORD a table showing the 1956 and calculated 1957 State acreage allotments for upland cotton, calculated on the basis of present provisions of law; then calculated on a national output of 17,391,304 acres, allotted to the States on the basis of present law; and then the same allotments allotted on the basis of 1956 allotments.

I recognize that the able Senator from South Carolina is the author of that amendment. However, I point out that the amendment takes 140,000 acres from the State of Texas, about 18,000 acres from Arizona, some 27,000 acres from California, and only 4,500 acres from New Mexico; but I believe it is unwise for producers of cotton to start bringing this fight up again. We have fought this fight on the floor of the Senate several times. The able Senator from Mississippi [Mr. STENNIS] has twice brought up this provision against small acreage for his section of the country, and we fought at the expense of the Western States.

This time, after the amendment was again defeated, the Senator from Mississippi said, "Surely, we ought to give a small acreage to those States that are in trouble." Therefore, Mr. President, there is provided in the bill 100,000 acres to accomplish that objective. I thought it would give a temporary breathing spell. But when the attempt is made to take 140,000 acres away from the State of Texas, and deny the principle of growth which is used in the wheat acreage allotments, in tobacco allotments, and throughout the whole agricultural program, I think the States attempting it are going to make it pretty difficult for the States which will be affected by it not to wage as militant a fight against it as they possibly can. There are certain people who would like to see all the other cotton provisions stricken from the bill and let this provision go through.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. I know the Senator from New Mexico wishes to be fair. I have tried to get estimated figures for the years 1956, 1957, and 1958. We will take away approximately 139,000 acres from Texas in 1957, but we will yield back to Texas the next year a little more than she would otherwise get, approximately 111,000 acres.

Mr. ANDERSON. I hope the junior Senator from Texas is listening to this discussion, because that is approximately 110,000 acres which Texas would have gotten anyway. It is like saying that the able Senator from Mississippi has just cashed a paycheck and has the money in his pocket, and I am going to take it out of his pocket, because, soon, he will receive another paycheck and he can put it back.

We feel pretty keenly about this, and I hope people who are interested in reserve programs on wheat, tobacco, rice, and various other commodities will recognize it for exactly what it is, namely, a failure to follow the principle of growth and to recognize the existence of a 5-year program which was set up under the law.

I again state that so far as many of the people in the Southwest are con-

cerned, they have not worried about the 2-year freeze. If it did not take place, the cotton acreage could come down from 17,400,000 acres to approximately 14 million acres, and if the Secretary of Agriculture wishes to do so he could apply it on a harvested basis as on a planted basis. If he applied the program on a harvested basis, cotton acreage would come down to 14,600,000 acres.

If that is what we want to face, let us face it, because some people would rather see all of it stricken from the bill than to have this question come up again.

Mr. President, I should like to have the table to which I have referred printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1956 and calculated 1957 State acreage allotments for upland cotton

State	1956 upland cotton acreage allotments	Calculated 1957 State allotments on basis of present law and proposed amendments		
		Present provisions of law ¹	National allotment of 17,391,304 acres apportioned to States on basis of present law for States ²	National allotment of 17,391,304 acres apportioned to States on basis of 1956 State allotments ³
(1)	(2)	(3)	(4)	(5)
Alabama.....	1,025,141	905,503	994,116	1,025,141
Arizona.....	343,640	328,995	361,190	343,640
Arkansas.....	1,424,511	1,271,412	1,395,832	1,424,511
California.....	782,405	737,294	809,446	782,405
Florida.....	36,974	34,111	37,449	36,974
Georgia.....	903,221	805,369	884,183	903,221
Illinois.....	43,110	43,110	43,110	43,110
Kansas.....	429	429	429	429
Kentucky.....	7,799	6,841	7,511	7,799
Louisiana.....	610,891	543,435	596,616	610,891
Maryland.....	425	425	425	425
Mississippi.....	1,646,562	1,458,671	1,601,416	1,646,562
Missouri.....	378,055	341,192	374,581	378,055
Nevada.....	42,324	42,324	42,324	42,324
New Mexico.....	179,378	167,373	183,753	179,378
North Carolina.....	483,932	428,152	470,050	483,932
Oklahoma.....	845,616	755,397	829,320	845,616
South Carolina.....	726,193	649,484	713,043	726,193
Tennessee.....	563,491	510,886	560,881	563,491
Texas.....	7,410,893	6,877,025	7,550,010	7,410,893
Virginia.....	17,114	14,956	16,419	17,114
United States.....	17,391,304	15,841,584	17,391,304	17,391,304

¹ Since 1955 measured acreage is used in lieu of the adjusted State acreages as provided by law the actual 1957 State allotments would vary from those shown in this column with a national allotment at this level.

² Minimum State allotments based on present available data.

³ National acreage allotment based on present provisions of law and currently available data with respect to yields and acreages.

⁴ Based on proposed amendment to freeze national allotment for 1957 at not less than the 1956 level.

⁵ Based on proposal to freeze 1957 national allotment at not less than the 1956 level and to apportion national allotment to States on basis of 1956 State allotment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. As I stated, in 1958 they will get 111,000 acres more than they would have gotten if it were not for this amendment. So we subtract 111,000 from 139,000, and that is the amount that Texas is penalized—only that much.

Mr. ANDERSON. Mr. President, the able junior Senator from Texas is engaged in a primary fight, and I am not seeking to embarrass him. He is a very fine Member of this body, for whom I have nothing but the highest respect and the kindest feelings, but I can see him going up and down the length and breadth of Texas, saying, "Do not worry.

We are taking only 14,000 acres from you."

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Does the amendment actually take that acreage away?

Mr. ANDERSON. I have just placed in the RECORD a table which shows that it takes it away.

Mr. ELLENDER. The Senator knows that cotton acreage has been reduced from year to year; it has been taken from Southeastern States and has gone to the Western States—not vice versa, as the Senator has stated.

The national cotton acreage is and has been very small. It is now reduced to 17,300,000 acres. I think it would be no more than fair that it be frozen, not

only at a national level, but at the State level as well. The Senator well knows we are providing in this bill for an over-quota 100,000 acres in order to help the small farmer.

Mr. ANDERSON. All of which, or nearly all, goes to the Southeastern States.

Mr. ELLENDER. A few acres go to California and some other States. The bulk goes to the historic cotton area because the farms there are smaller than the western farms. Their acreage has also been reduced much more, proportionally, than in the West. We are placing the 100,000 acre figure in the bill now so as to permit small farmers to have enough acreage to live on. If the amendment which the committee has placed in the bill is stricken, it will mean that many farmers will be again subjected to reductions in acreage. The bill as it is now drafted and presented will give to every State, next year and the year following, the same amount of cotton acreage that is planted this year.

Mr. ANDERSON. Would the Senator be satisfied to have that provision written into the bill with reference to rice and other agricultural commodities?

Mr. ELLENDER. Yes. Let me say to my good friend from New Mexico that we have reached rockbottom when it comes to the allocation of cotton acres. This is only a temporary measure; it is not to be permanent. It is in order to give to the farmers of the country the same amount of acreage as they have this year—all the farmers, not just a few.

Mr. ANDERSON. What happens to history in that situation?

Mr. ELLENDER. It remains "as is."

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. Is it the interpretation of the distinguished chairman of the committee that there will be no cut below the present acreage for this year in any State?

Mr. ELLENDER. That is exactly correct. Every acre that is planted to cotton in Texas this year will be received by Texas next year. The same is true of Louisiana. In other words, what the bill does is to freeze the acreage on a State as well as on a national basis.

Mr. DANIEL. Where does the extra hundred thousand acres come from?

Mr. ELLENDER. That is over and above the national allotment.

Mr. ANDERSON. Mr. President, the amendment was presented by the Senator from Mississippi. We fought it on the Senate floor, and it was rejected. Then the Senator from Mississippi said, "Give us a chance. Give us just a little bit for our farmers." It was a most compelling argument. So, in the closing minutes of the discussion we said, "All right; put it in." Now they say, "Having got 100,000 acres, let us take 100,000 acres more off Texas; let us take 25,000 acres off California."

Mr. ELLENDER. The Senator knows that is not correct; the amendment takes no acreage from any State. How can it be said that something is being reduced when it is unchanged? The Senator is incorrect in his statement.

Mr. ANDERSON. What is correct?

Mr. ELLENDER. The point is that as the situation now stands, cotton acreage would be taken in future years from those who now have reached rockbottom as far as their cotton land is concerned because of a little gadget put into the law long ago. Acreage is taken from one area and given to another. That is how, in my humble judgment, the cotton farmers in the West have increased their acreage so much. I do not want to take anything from the State of Texas or from the State of New Mexico. I do not want to take from them one single, solitary acre of cotton that is being planted this year. All I am asking, I may say to my good friend from New Mexico, is that since we are in the process of freezing cotton acres on a national basis, they should be frozen also on the State basis. If a freeze is justifiable—and I believe one is—then we cannot in good conscience freeze national acreage and yet continue to permit farmers in one area to increase allotments at the expense of farmers in another area. To be fair, a freeze should be a complete freeze. I do not know of anything fairer than that.

Mr. ANDERSON. The unfair part of it is that if the amount of acreage allotted to Texas, which it has earned lawfully under the present law, and would earn lawfully, instead of—

Mr. ELLENDER. "Would earn"—"earn" being defined as "taking from others." They took it from Louisiana. Louisiana will lose 8,000 acres, and Mississippi will lose 45,000 acres, although the allotments for the entire country are frozen at 17,300,000 acres, the same as was established for 1956.

Instead of cotton farmers having to come back to Congress and ask for more acres, through an increase in the national allotment, we simply say, "Be satisfied with what you receive on a 17,300,000 national acreage basis." Let us freeze that for 2 years, not only on a national basis, but also on a State basis.

As I said, the State of Texas will receive the same number of acres in 1957 and 1958 as was received in 1956.

Mr. DANIEL. Does the Senator mean the same number as Texas planted in 1956, as distinguished from the number of acres which were allotted?

Mr. ELLENDER. The same number as Texas was allotted, because the allotted acres are what count.

I do not see why all of the cotton States should not be put on the same basis in trying to live with the soil bank. If in Texas, and in Louisiana and Mississippi, as well, some of the cotton acres are not actually planted, they can be put into the soil bank. If a farmer has 7 or 8 acres he does not want to plant, he can put those acres in the soil bank and receive a fair return, a return which I understand would be about equal to what he would make if he had planted the acres.

I know the Senator from New Mexico is fair. I hope that before we reach a vote on the bill, he will consider that we have tried from time to time to assist the small farmer. The Senator from New Mexico has cooperated to the extent of

voting that 100,000 acres over and above the national allotment be included in the bill so as to assist the small farmers. I am sure he is willing to be 100 percent fair, and not insist that, although the Congress freezes the national acreage allotments for 1957 and 1958, at the same level as in 1956, Louisiana, Mississippi, and other States must still receive less acreage than in 1956 in order to give some western States an increase over 1956.

Mr. ANDERSON. That is exactly what I am suggesting. When we reached 100,000 acres, that was to be the end. Now we are aggravating the situation by adding a new fight.

I am merely saying, as the Senator has suggested, that the fact that some States lose and some gain is nothing new.

My first experience in the House of Representatives a good many years ago was when the 1940 census had been completed. It was the responsibility of Congress to reapportion the membership of Congress. Why is not a bill introduced to provide that the present membership of the House of Representatives shall be frozen for the next two decades, so that California will not gain a few Representatives, and other States will not be hampered by having the number of their Representatives reduced because they have not grown in population quite so fast as some of their sister States?

But do we do that? No. We provide for apportionment on a basis which is automatic. It is not necessary to have Congress pass a law. We simply recognize the right to reapportionment on the basis granted. Agricultural legislation has been based upon that principle.

Why should anyone want now to say to the Senator from Arizona that he should be quiet, he should not object to this, he should go home and tell the people of his State that, after all, Congress allotted 100,000 acres to the Southeast, and they are not satisfied with that; they have to have some more? Why should he keep quiet while 27,000 acres are taken away from his State? Only 4,500 acres are affected in my State. I can be completely satisfied, if others want to keep quiet about it; but I think it is unfortunate that we are getting into this kind of fight again.

I have received several telegrams, which perhaps I need not place in the Record, but I intend to offer an amendment to strike from the bill those provisions which would prevent the principle of growth from operating. I hope the Senate will not unduly complicate the situation existing in the Cotton Belt by insisting that the States be penalized in this fashion.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. How does it happen that there has been a gain in acreage in the Southwest and in California, and a loss of acreage in parts of the South? Is that because land went out of cultivation in one area, and was put into cultivation in the other?

Mr. ANDERSON. That is due to many things. When I introduced the Cotton Acreage Adjustment Act of 1949,

the bill was the result of hearings held across the entire Cotton Belt. A hearing had been held in Fresno, Calif., which was attended by farmers from the State of the able Senator from Arizona, by farmers from California, and by a few farmers from Nevada and New Mexico.

There had been a great meeting at Fort Worth, Tex., which was attended by farmers from Arkansas, Louisiana, Texas, Oklahoma, and some of the other States.

There had been a meeting in Atlanta, which embraced the southeastern tier of States.

At those meetings we tried to find some basis on which to amend the cotton acreage adjustment law, because, as had happened at the end of World War II, it looked as if the cotton acreage was going to shift out of the deep South into the more efficient producing areas, from Georgia and Mississippi to the areas of Texas, Arizona, New Mexico, and California. In order that that shift might be helped and might be made a little more orderly, quotas were set on the basis of acreages planted in those States during the preceding 5 years.

The study at that time recognized that the acreage would gradually shift to the West, and the appeal was, Do not close the acres out too fast. Let the Southeastern States, where the problem is more difficult, take a little more time. You will see new types of agriculture develop, and new uses of the land will come into operation. There will be a change in the picture.

Mr. HAYDEN. That is what I understand has taken place.

Mr. ANDERSON. That is what has taken place. One can go into the State of the able Senator from Florida [Mr. HOLLAND] and find that a livestock industry has been developed there. If the farmers of Florida had been told that there would be cotton forever, I do not know how much of their land would have been planted to cotton. Similarly, such development is taking place in Georgia and Mississippi. Those States now comprise one of the remarkable agricultural areas because of the importance of livestock.

To insist that these past actions were wrong in order to halt obvious growth is something I cannot understand.

Mr. HAYDEN. I wanted to make it clear that the reason for this trend is that cotton can be produced at a lower cost per pound in the western area than it can be produced anywhere else in the United States. Second, the grades of cotton which are grown in that region are marketable; they do not go into the loan.

Mr. ANDERSON. I think that is true. I think perhaps it is fair to say that all the cotton grown in California is shipped without ever going into the loan; or if it does go into the loan, it does not remain there long. As I recall, one man put a block of a million dollars worth of cotton into the loan. A great outcry was made. I said, "I know that man. The Government will not lose anything on that." In a short time, he had moved all his cotton.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Louisiana.

Mr. ELLENDER. I desire to say to my good friends, the Senator from Arizona [Mr. HAYDEN] and the Senator from New Mexico [Mr. ANDERSON], that I do not want to quarrel as to any cotton farmer who has shifted from the production of cotton to a more profitable crop, and who has in the process abandoned his acres of cotton. I have no sympathy for him; he should have continued in the growing of cotton if he desired to maintain his base acreage. But here we have a situation that is different from that which prevailed at the time suggested by my good friend from New Mexico. Cotton acreage allotments have now been reduced to the point where it hurts. The national allotment is down now to 17,391,000 acres. I am sure the situation which will prevail in the Southeast, as well as the Southwest, in regard to the planting of cotton, will be different in 1957 and 1958 from what it was 4 or 5 or 6 years ago.

We have provided in the bill for a soil bank. Those cotton farmers who will not see fit to plant their allotted acres to cotton can put those acres in the soil bank. What is going to happen is that, no matter if Louisiana or Mississippi or any other Southern State plants all its allotted acres, or puts part of them into the soil bank, the formula which has been in the law for quite some time will cause those States to lose additional allotted acres in 1957 and 1958, partly because of trends and partly because of unusual conditions which caused Texas to plant a million and a half acres of wheatland to cotton in 1951.

I repeat, I am not here criticizing my good friends from New Mexico and Arizona about what has happened in the past, nor am I trying to blame them because some cotton farmers did not plant all of their allotted acres in the past. As cotton plantings in the West increased, there has been a steady shifting of cotton acreage allotments to the West. That shifting of allotments occurred in 1956, and it will occur in 1957 and 1958 if the Senate committee amendment is not adopted.

We have now reached the situation where cotton acreage has been reduced to a minimum. Additionally, the provisions in the bill creating a soil bank will result in every allotted acre being either planted or placed in the soil bank. We are freezing the national acreage allotment at the 1956 level to prevent further reductions being imposed on our cotton farmers. Under these conditions, I say it is morally wrong for farmers to have to suffer additional reductions in 1957 and 1958 because of a gadget in the old law, especially when those acres are being passed on to a few States in the West.

The conditions today are far different from what they were in the past, and I hope that before my friend from New Mexico offers his amendment he will sleep on it overnight and see the justice in what I am pleading for.

Mr. HAYDEN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. If the trend has been such that there has been less acreage planted in the Southeastern States and more acreage planted in the West, that trend was due to the fact that it was to the advantage of somebody in the Southeastern area to put the land which was used for the growing of cotton into other crops.

Mr. ANDERSON. I can say to the Senator from Arizona that some years ago the Commissioner of Agriculture in the State of Georgia, Mr. Tom Linder, printed a story in which he said cotton ought to be \$1 a pound. His idea was that it took that much money to raise cotton. Well, it did not; but there are areas where the raising of cotton is expensive, and there are areas where it is raised more cheaply.

The Senator from Arizona, whose State would really be hurt by the amendment, should recognize that the same acreage would be planted in 1956, 1957, and 1958, which would give his State 3 of the 5 years, and affect its acreage forever, and that if his State is tied to those acres there will be no opportunity for the factor of growth to operate, and the State will be signing away forever the possibility of it.

Mr. HAYDEN. The trend should be recognized, and there should be some provision in the bill whereby the trend could continue as it has in the past, but if temporarily it was desired to allow more acreage to the South, that would be a very different proposal.

Mr. ANDERSON. Yes.

Mr. HAYDEN. Because the basic law would remain unchanged, and those areas where there was legitimate demand for increased acreage could have it and the law would allow it.

Mr. ANDERSON. Mr. President, I should like to continue this colloquy with my able friend the Senator from Arizona, but I understand the sugar bill conference report is ready, and I do not want to do more at this time than offer an amendment, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. ANDERSON. Mr. President, I also ask unanimous consent to have printed in the RECORD, at this point in my remarks, a statement which I have had prepared on the proposed adjustment in import quota of extralong staple cotton; also a telegram I received from John L. Augustine, head of the Farm Bureau of New Mexico; a telegram from James F. Cole, president, Dona Ana County Farm and Livestock Bureau; and a telegram from Fred G. Sherrill, of Los Angeles, Calif.

There being no objection, the statement and telegrams were ordered to be printed in the RECORD, as follows:

STATEMENT ON PROPOSED ADJUSTMENT IN IMPORT QUOTA OF EXTRA LONG STAPLE COTTON

1. EFFECT OF ADJUSTMENT

Section 304 (a) of H. R. 12 would have the present 95,000 bale import quota apply, beginning February 1, 1957, to all cotton having a staple length of $1\frac{1}{8}$ inches and longer, as did the original quota when it was es-

tablished in 1939. The exemption for Peruvian cotton ($1\frac{1}{16}$ inches and longer) made in 1940 for defense purposes would no longer apply. It is no longer needed by the military.

2. USE OF EXTRA LONG STAPLE COTTON

Either American-Egyptian cotton or Egyptian Karnak cotton can be used satisfactorily for the manufacture of most, if not all, products for which Peruvian Pima cotton is now being used (according to the Chief of the Standards and Testing Branch, Cotton Division, Agricultural Marketing Service, USDA, based on limited data available on the subject). About 60 percent of the extra long staple cotton consumed in the United States is in thread. One-fourth is in woven fabrics, with the rest being used in laces, gloves, machine ribbons, knitting yarns, and miscellaneous products. Almost 90 percent of the Peruvian Pima is used for woven fabrics. Although a smaller percentage of the American-Egyptian and Egyptian grown cottons are used for woven fabrics, the total bales used for that purpose exceed the quantity of Peruvian Pima cotton so used. Mills which use all types of extra long staple cotton report that all types are suitable for woven fabrics. Mills using extra long staple cotton state that Peruvian Pima is not used for thread because it lacks smoothness and does not stand up well in the sewing operation, and that it is too soft and lacks strength for use in machine ribbons. Its use in woven fabrics is based on the prestige built up for fine, silky cotton fabrics known as "Pima," with resulting strong consumer acceptance for "Pima" cottons.

3. ONE AND ELEVEN-SIXTEENTHS INCHES NOT GROWN IN UNITED STATES

United States farmers do not produce a cotton which has a staple length $1\frac{11}{16}$ inches and longer. Lengthening the staple beyond $1\frac{1}{2}$ inches (the approximate length of most extra long staple cotton) does not necessarily improve the quality of cotton. Other characteristics, such as smoothness, strength, uniformity of staple length and maturity are more important than the extreme length of staple. Working in cooperation with United States cotton mills and cotton farmers, USDA has developed satisfactory extra long staple cottons which have a slightly shorter staple length than the Egyptian $1\frac{1}{2}$ inches. By so doing, they have increased yields per acre sharply and have maintained or improved upon other desirable characteristics.

4. ONLY COTTON NOT LIMITED BY IMPORT QUOTA

Cotton having a staple length of $1\frac{11}{16}$ inches and longer is the only raw cotton not subject to import restrictions. It is directly competitive with American and Egyptian grown extra long staple cotton. Compared to the 500 to 1,000 bales being imported in 1940 at the time import controls thereon were suspended, imports have been increasing sharply, having reached an estimated 16,000 bales last year. This compares with 7,000 in 1951, 10,000 in 1952, 12,000 in 1953 and 14,000 in 1954. Aided by a World Bank loan (31 percent of the capital contributed by the United States), Peru is developing irrigation facilities for an estimated 60,000 additional acres to be devoted to cotton. Without quotas, there is no limit to the quantity of United States cotton which can be displaced by Peruvian. From 1950 to 1954, production of United States extra long staple cotton varied from 46,000 to 93,000 bales. The marketing quota on the 1956 crop is 35,000 bales. The quota-free imports of Peruvian cotton last year represented about 40 percent of the United States production.

5. EFFECT OF SECTION 304 (a) ON IMPORTS OF PERUVIAN COTTON

Section 304 (a) will not prevent or stop imports of cotton having a staple length of

1 $\frac{1}{16}$ inches and longer (Peruvian cotton). The effect would be to require that such imports displace Egyptian cotton rather than United States-grown cotton. Any additional expense incurred by importers of Peruvian cotton as a result of section 304 (a) would be offset by the present tariff advantage of 1 $\frac{3}{4}$ cents per pound which this cotton has over other imported extra long staple cotton. The objection to section 304 (a) is believed to be based upon the 5 cents to 10 cents price advantage which Peruvian cotton enjoys over Egyptian- and American-grown cotton.

6. TIMING OF IMPORTS

The present quota opens on February 1. This is timed to fit the Egyptian harvest. The Peruvian crop is harvested about 6 months later. If, at the time the Peruvian cotton was ready for shipment to the United States the global quota had been filled by imports of Egyptian cotton, importers of Peruvian would be placed at a disadvantage. They would either have to buy 6 months further ahead, or some adjustment in the quota should be made. If the attached language were added to section 304 (a), this problem would be adequately dealt with.

LAS CRUCES, N. MEX., May 16, 1956.

Senator CLINTON P. ANDERSON,
Senator DENNIS CHAVEZ,
United States Senate,
Washington, D. C.:

We understand Eastland amendment to new farm bill to come before Senate May 7. Would appreciate your doing everything possible to push provision directing Agriculture Secretary to sell cotton at competitive world prices. Check provision pertaining to increased cotton allotments, 1957-58, to see if western areas fairly treated. Understand State Department attempting to delete long staple amendment. Don't let them get away with this. It's time to help our own people instead of everyone else in the world.

JOHN L. AUGUSTINE.

LAS CRUCES, N. MEX., May 16, 1956.

Senator CLINTON P. ANDERSON,
Senate Office Building,
Washington, D. C.:

First, we favor the Eastland amendment to make cotton sales for export. Competitive offering of cotton above the world market price is a signal to foreign growers to plant more cotton. Surpluses must be moved in the interest of farm economy at competitive prices. We feel that due to the influences of the State Department that legislation directing rather than permitting this action is necessary. Second, we oppose any provision in the law which allocates increases in cotton allotment equally on a percentage basis. The 5-year provision is a basic part of the law which recognizes the trend in cotton production. Efforts to defeat this will deprive New Mexico of a historic legal right to acreage increases. Third, we are reliably informed that the State Department has contacted Senator H. ALEXANDER SMITH regarding the removal of the provisions which were in the earlier farm bill regarding extra long staple cotton. The provisions concerning global quotas and directing the Secretary to dispose of surplus of extra long staple are essential to the survival of an industry which has gone all out to try to help itself.

JAMES F. COLE,
President, Dona Ana County Farm
and Livestock Bureau.

LOS ANGELES, CALIF., May 15, 1956.
Senator CLINTON ANDERSON,
Senate Office Building,
Washington, D. C.:

Another amendment to the farm bill H. R. 10875 has come to my attention which (a) freezes the national cotton allotment for 1957 and 1958 so that it will be the same

as for 1956, and (b) provides that each State allotment for 1957 and 1958 shall be the same as for 1956. Under present circumstances I would say that the national allotment is amply large and I would not oppose that provision. I cannot see, however, why the result of trends in acreage which reflect essentially sound economic production of desirable qualities should be suspended during this period. This is the provision in the present act which distributes the national allotment to the States on the 5-year average rule. If this is suspended as item (b) above seeks to do, California will fail to get some thirty-odd-thousand acres which it should have, Arizona will fail to get some 20,000 acres which it should have, and New Mexico will fail to get some 5,000 acres which it should have. Inasmuch as the national allotment remains undisturbed it naturally follows that sections of the country producing less desirable qualities than we produce here will be planting our acreage and producing more of those less desirable qualities while we produce less of the more desirable qualities. Please do what you can to let the present law determine how the frozen national allotment shall be distributed. Thanks and best wishes.

FRED G. SHERRILL.

Mr. ANDERSON. Mr. President, in closing, I point out that when the senior Senator from Louisiana asked that additional cotton be given to the small farmers of the southeastern section of the country, it was done on the basis that no planting history should be obtained. I suggest that he might bear that in mind in connection with this question.

EXTENSION OF THE SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I understand the Senator from Virginia is ready to present the conference report on the extension of the Sugar Act of 1948, which is a privileged matter. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of yesterday.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, in the case of the conference report on the sugar bill, H. R. 7030, which would amend and extend the Sugar Act of 1948, I am happy

to announce a unanimous agreement, after a considerable period of time, on the part of House and Senate conferees on this bill. There were no dissenters on the final version, and the Senate amendments were generally accepted.

I am also glad to state that a few minutes ago the conference report was unanimously agreed to by the House of Representatives.

The House accepted all of a number of perfecting and technical amendments made by the Senate and, in large part, the more important amendments were adopted in full or compromised satisfactorily.

There were three important points of difference between the House and Senate versions of the bill. On one other point the difference was not so great. Those points of difference were:

First. The length of the extension of the Sugar Act. The House version of the bill was for 4 years; the Senate version was 6 years. The Senate conferees receded on this point, and agreed on a 4-year extension. It was unanimously agreed however, that the next extension should be taken up in 1959 to avoid the necessity for any hasty action during the last year of the present extension, and so that farmers and foreign countries can make their plans in advance of planting seasons.

Second. The proportion of increased demand allocated to foreign and to domestic producers. The House voted a 50-50 split. The Senate felt that because domestic producers had not been able to share in increased demand for a number of years, the division should be 55 percent of the increase to domestic producers and 45 percent to foreign producers.

The House conferees receded on this point, and the formula of 55-45 was adopted.

Third. The division of increased domestic demand allocated to foreign areas among the various participating countries took considerable compromising. The conferees decided that the element of greatest importance to a foreign country producing sugar was the amount in total that could be exported to the United States. Therefore, total United States requirements over the 4 years of the extension and the total share in those requirements by each country constituted the base from which we worked.

For example, under the House version of the bill, Cuba would have supplied 92.4 percent of the total amount of sugar allocated to the full-duty countries plus Cuba. The Senate version would have granted to Cuba 94.4 percent. The compromise decided upon by the conferees gives 93.75 percent to Cuba. The compromise gives Mexico 1.2 percent, Peru 2.3 percent, Dominican Republic 1.75 percent, and all other countries 1.0 percent.

I understand that the administration will accept these percentages.

Fourth. Both the House version and the Senate version of the bill carried formulas for the allocation of the first 188,000 tons of increased demand among domestic producing areas. Although the

formulas were different, there was not a great deal of difference in the expected results. The House conferees receded, and accepted the Senate formula.

I hope the Senate will accept the bill as agreed upon by the conferees. On the major points of difference, the House conferees receded on 2, the Senate conferees receded on 1, and 1 was compromised satisfactorily. Although it would have been impossible to arrive at a solution of this great sugar problem which would make everyone happy, we feel that we have at least divided the unhappiness fairly equally.

I urge acceptance of the conference report.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BENNETT. I should like to make an observation: With respect to the foreign share of sugar, the amount in disagreement was equal only to 2 pounds in 100. In other words, if we set up as a symbol a 100-pound sack of sugar, to represent all the sugar which would come in from foreign producers, there was in disagreement only 2 pounds in 100; and by the compromise we finally saved for Cuba all but two-thirds of 1 pound. So by the compromise, Cuba lost only two-thirds of 1 pound out of 100 pounds; and the compromise agreement is two-thirds in line with the position taken by the Senate, and only one-third in line with the position taken by the House.

Mr. BYRD. I thank the Senator from Utah.

Mr. ELLENDER. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. ELLENDER. I wish to take this occasion to thank my good friend, the Senator from Virginia, from the bottom of my heart for having brought the sugar bill to a conclusion, particularly when he was able to maintain the Senate's version of the bill in respect to the division of the increased amount of sugar which is consumed in the United States because of the increase in our population. As he has stated correctly, the Senate conferees fought for 55 percent of the amount of that growth; and I am glad that is provided for in the conference report.

Again I wish to compliment my good friend, the Senator from Virginia, and also my good friend, the Senator from Utah [Mr. BENNETT], and all other Senators who participated in the conference.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to express my very real gratitude and my warm compliments to the Senator from Virginia and the other Senate conferees, and to say that I think this is a good bill. As I understand, it stabilizes the matter of sharing on a 55-45 basis in the continuing market; and in the case of the increase after January 1, 1956, above 8,350,000 tons, it divides it on the basis of the same ratio—namely, 55 percent to domestic producers, and 45 percent to foreign producers.

Mr. BYRD. The Senator is correct.

Mr. HOLLAND. For which I certainly congratulate the conferees. Speaking for the sugar industry of my State, which does not always have easy sledding, and will not have under this bill, this arrangement will certainly stabilize the situation remarkably well, and will enable sugar producers to get rid of the stored up surplus, created not by added acres, but by added efficiency and increased production in recent years. The bill will allow the sugar producers to get rid of a surplus which now occupies two very large warehouses. I think that can be accomplished in a period of about 3 years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LANGER. How does the conference report treat cane sugar as compared with beet sugar?

Mr. BENNETT. Mr. President, If I may answer that question. The division as between the mainland cane producers and the domestic beet producers was written into the bill in accordance with an agreement between the two industries. With respect to the first 165,000 tons, they will be shared on the basis of 51½ percent to beets and 48½ percent to cane. Thereafter they will return to their original relationship, which will be based upon the difference between, roughly, 1,880,000 tons and 582,000 tons, or something of that kind. But we established a comparatively even relationship for the first 165,000 tons. Thereafter it reverts to the longtime relationship which existed under all previous legislation.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARRETT. I wish to commend the chairman of the Finance Committee and other members of the committee for the fine work they did in connection with the conference report.

Let me say to my distinguished colleague from Florida [Mr. HOLLAND] that his State is not the only one which has been experiencing some difficulty so far as sugar is concerned. We in the sugar beet area have also been in considerable difficulty.

I am very much pleased with the provisions to which the distinguished Senator from Utah [Mr. BENNETT] has just referred. As I understand the situation, the first 165,000 tons over and above the base of 8,350,000 tons will go to the domestic producers, 51½ percent to beet sugar, and 48½ percent to cane sugar producers.

Mr. BENNETT. It is not quite that way. It is the first 165,000 tons produced, over the base of 55 percent.

Mr. BARRETT. I understand. That is the amount which is allocated to this country.

Mr. BENNETT. That is correct.

Mr. BARRETT. The point which pleases me very much is that, as I understand, the estimate for this year is in excess of 165,000 tons increase, and consequently, the domestic producers will receive some benefit immediately from this legislation. So I am especially pleased about that particular provision

in the conference report. Again I commend our conferees for their fine work. I think this is an excellent bill. The division, on the historic basis of 55 to 45, has now been reaffirmed, and we are now in such a position that we can look forward to some measure of prosperity in the sugar beet and sugar-cane industries.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. HOLLAND. Am I correct in my understanding that the reason for making a distinction in favor of cane sugar in the first year's distribution of the surplus was the fact that the cane sugar producers have on hand a much greater surplus, proportionately?

Mr. BYRD. That is correct.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SMITH of New Jersey. As a member of the Committee on Foreign Relations, I have been asked by our Filipino friends why, as they claim, they were discriminated against by being omitted entirely from participation in any increase in sugar consumption. I should like to have that explained for the Record, so that I may properly advise my Filipino friends.

Mr. BENNETT. Mr. President, the Senator's Filipino friends have been told repeatedly that their participation in the American sugar market is on the basis of a treaty. The Finance Committee has no authority to open up existing treaties. Members of the Finance Committee have never felt that the Filipino share could be considered by them. If the State Department wishes to increase the allotment of sugar to the Philippines, it should be prepared to open up the general Philippine treaty and handle it through the regular channels, which includes handling it through the Senator's committee.

Mr. SMITH of New Jersey. Then is it fair to say that there was no intention on the part of members of the conference committee from either the House or the Senate in any way to discriminate against our Filipino friends?

Mr. GEORGE. Mr. President, if the chairman of the committee will yield to me, the Philippines have a treaty, and that treaty governs sugar shipments into this country and the quotas. Under the treaty the Filipinos have preferential treatment, which will extend, as I recall, until 1970. We were clearly of the opinion that there was no discrimination against the Philippines. They already have an advantage.

Mr. SMITH of New Jersey. I wished to make it clear for the record that there was no intentional discrimination.

Mr. GEORGE. None whatever.

Mr. MILLIKIN. Mr. President, I wish to congratulate the Senator from Virginia [Mr. BYRD] for the very able work he did on the sugar bill in conference.

I wish also to congratulate the Senator from Utah [Mr. BENNETT], who did so much active work in bringing about the 55-45 division, which is traditional, and which is an improvement over the present situation. It gives better recognition to the home production of sugar.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939, RELATING TO PATENT RIGHTS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. YOUNG. Mr. President, I should like to make some very brief remarks today on the feed-grain provisions of the pending agricultural bill; and tomorrow, when we consider the bill and its amendments, I shall discuss further the feed-grain amendments and other provisions of the bill.

Last fall the price of hogs dropped to \$9 or \$10 a hundred pounds, and the corn price dropped to 95 cents or a dollar a bushel, in most Midwest areas. Always when corn and other feed grain prices drop, hog prices and cattle prices sooner or later follow. They usually follow shortly afterward.

Taking recognition of the fact that low feed grain prices, particularly low corn prices, mean continued low prices for hogs and cattle, Secretary Benson not long ago established a support price for corn in the commercial area at \$1.50 a bushel, and another, new price support, which we have never had before, of \$1.25 a bushel, to noncompliers, or those farmers who fail to comply with any acreage allotments. In addition to that, he established at least two more price-support levels in the noncommercial area.

The whole object, as I understand it, of this action was to prevent more free corn from going on the cash markets in the fall, and thus depress the cash price of corn.

I say again that he felt, and rightly so, that low corn prices mean low hog prices and low cattle prices.

The minority views of the Committee on Agriculture and Forestry, are rather

amazing. They are almost in complete contradiction to what Secretary Benson did only a short time ago in establishing these higher price support levels for corn.

I should like to quote from the minority views as published in the report of the committee:

2. Prices of feed livestock would be reduced.

That is, if the feed grain provision in the bill prevailed.

In deciding how much they can pay for feeder cattle, Grain Belt men figure the probable price of the finished animal and deduct the cost of feed. The higher the price of feed in the Grain Belt, the lower the price of feeder cattle on the western range.

Mr. President, no responsible cattlemen or hogmen would agree with that position. All of them know that continued low prices for feed grains and abundant supplies mean that farmers will translate those cheap grains into more and more production and surpluses of hogs and more and more production and surpluses of beef.

I should like to say that, with respect to the average farmer in the Midwest, particularly in Iowa, the price he gets for hogs represents the price he gets for his corn, because he puts practically all of that corn he produces on the market through hogs or cattle. If there is an abundance of cheap feed grain, and excessive feeding and excessive supplies, down goes the price of hogs and down

goes the price of most everything that that farmer has to sell.

I should like to place in the RECORD figures which I obtained from the Department of Agriculture only yesterday. They gave the average price of feed grains for the past 10 years; that is, for oats, barley, sorghums, and corn. It also shows the price of feeder cattle and other cattle.

It will be noted from this table that the price of feeder cattle and the price of hogs follow almost exactly the price of feed grains, such as corn, wheat, oats, and others.

It is true that if feed grains remain cheap this fall, many cattle feeders may buy more cattle than they ordinarily would, hoping that they can feed the cheap grain to their cattle; and even if the cattle prices do not go up very much, at least they will not lose very much money.

That is what happened to a large extent last fall. Feed grain prices were cheap, and cattle feeders paid a little more than they ordinarily would, believing that with the very cheap grain they would still make a little profit. I believe that most of them will be mistaken. They will not make any money, some may lose even with present grain prices.

I ask unanimous consent that the table be printed in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Oats (per bushel)	Barley (per bushel)	Corn (per bushel)	Grain sorghums, soybeans		Beef cattle (per hundred-weight) ¹	Stockers and feeders cost at Kansas City	Stockers and feeders average cost of 4 markets
				Per hundred-weight	Per bushel			
1946.....	\$0.805	\$1.38	\$1.53	\$2.48	\$2.56	\$14.50	\$15.87	\$15.80
1947.....	1.04	1.73	2.16	3.27	3.34	18.40	20.81	20.36
1948.....	.717	1.16	1.28	2.29	2.27	22.20	25.54	25.23
1949.....	.655	1.06	1.24	2.00	2.17	19.80	21.34	21.21
1950.....	.788	1.19	1.52	1.88	2.47	23.30	26.67	26.90
1951.....	.820	1.26	1.66	2.36	2.73	28.70	32.63	32.85
1952.....	.788	1.38	1.51	2.80	2.72	24.30	25.55	25.76
1953.....	.743	1.17	1.48	2.36	2.73	16.30	17.35	17.13
1954.....	.713	1.09	1.42	2.25	2.46	16.00	18.97	18.64
1955.....	.596	.928	1.31	1.78	2.20	15.60	18.60	18.25
Apr. 15, 1956..	.623	.949	1.32	1.93	2.63	15.00	\$ 17.31	\$ 17.02

¹ National average price received by farmers for all beef cattle.

² 5 markets.

³ 8 markets.

⁴ 10 markets.

⁵ Week ending Apr. 26.

Mr. YOUNG. Mr. President, I have also had the Department of Agriculture prepare some figures on the price of hogs, from 1930 to 1940—I left out the war years—and from 1946 to 1955. Again it appears from these figures that the price of hogs followed almost exactly the price of corn. For example, when corn prices went down, hog prices went down.

Again, Mr. President, that is almost in exact contradiction to the minority views of the Committee on Agriculture and Forestry, and it is almost in exact contradiction to what some Members of the Senate are trying to accomplish, that of trying to continue the cheap grain prices.

Mr. President, it is impossible to have two things at the same time; it is impos-

sible to have cheap feed-grain prices and still have good cattle prices and good hog prices. That is impossible.

Perhaps to a dairy farmer in the East, who sells practically all of his milk in the large cities, under milk marketing orders at 90 percent to 100 percent of parity, and has 80-percent price supports for practically all the rest of his dairy products, such as butter and cheese, that is an excellent deal. However, to any farmer living in the Midwest who produces hogs, or cattle, or grain, this is a wrong philosophy entirely. We will never solve our hog- and cattle-price problem and our grain-price problem, and the problem of the average farmer, so long as we continue the policy of cheap feed grains.

Mr. President, I wish to comment a little more on a table which appears on the last page of the minority views.

According to the table one would be led to believe that every State in the Union was a deficit-feed-grain area. For example, according to the table, the State of Iowa buys 42 percent of its feed grains, Minnesota 20 percent, Illinois 25 percent, and so on.

Actually, what I believe is that this table is a report showing how much mixed grains the farmers in these respective States bought.

Mr. President, it has become a rather common practice for farmers to buy a great deal of mixed feeds. They will probably sell much of their feed grains and buy back concentrates or pellets or other things. Therefore, although the report would indicate that Iowa, for example, is a big feed deficit area, in reality, it is not.

Iowa, perhaps, produces practically all the feed grains it needs. That is certainly true of Illinois, Indiana, and some other Midwest States. The minority views would have us believe that these States are great feed deficit areas, and by raising the price of feed grain a little, we are doing great injury to the farmers of those States. That is as far from the truth as it is possible to be.

Mr. President, I believe this will conclude my remarks for today. I plan to have more to say tomorrow, when the various amendments are considered.

At this time I ask unanimous consent that the last table, to which I have referred, also be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison, corn and hog prices, average national price received by farmers (1930-40, 1946-55)

Year	Corn (per bushel)	Hogs (per 100 pounds)
1930.....	\$0.598	\$8.84
1931.....	.321	5.73
1932.....	.292	3.34
1933.....	.494	3.53
1934.....	.802	4.14
1935.....	.632	8.65
1936.....	1.035	9.37
1937.....	.490	9.50
1938.....	.469	7.74
1939.....	.542	6.23
1940.....	.601	5.39
1946.....	1.53	17.50
1947.....	2.16	24.10
1948.....	1.28	23.10
1949.....	1.24	18.10
1950.....	1.52	18.00
1951.....	1.66	20.00
1952.....	1.51	17.80
1953.....	1.48	21.40
1954.....	1.42	21.60
1955.....	1.31	15.00

NOMINATION OF SIMON E. SOBELOFF TO BE JUDGE OF THE FOURTH CIRCUIT COURT OF APPEALS

Mr. JOHNSTON of South Carolina. Mr. President, a Subcommittee of the Judiciary Committee on May 5 began its public hearings on the fitness of the Solicitor General, Mr. Sobeloff, to be a judge of the Fourth Circuit Court of Appeals of the United States. That date was a postponed meeting of one previously called and which had to be cancelled due to the untimely death of the

late Senator Barkley. Most of us were in attendance at the funeral of our late colleague. All our engagements that week had to be postponed, rearranged, and otherwise interrupted or cancelled. Unfortunately, my case was no different from many others. I had prior engagements set for Saturday, May 5, from which I could not easily be excused. That same unfortunate situation affected the members of the subcommittee as only 2 of the 5 on it were able to be present. I sent the Chairman, Senator O'MAHONEY, a copy of charges against the nominee. These were put in the record. The witness most capable of substantiating those and other professional irregularities of Mr. Sobeloff, was not permitted to testify at length. He is Charles Shankroff, of Baltimore, Md. I had known Mr. Shankroff's charges for some time. He presented similar objections to me a long time ago. However, the Senator from Wyoming [Mr. O'MAHONEY] graciously permitted Mr. Shankroff to file a statement of his charges. Mr. Shankroff, who made the original charges, is an experienced real-estate dealer, and a gentleman about 74 year old. He told me he had never seen Mr. Sobeloff in person, except as he saw him across the witness table on May 5, 1956. His statement shows that he has no personal ax to grind, nor any personal grievances to satisfy. His testimony and statement are given solely in the public interest and out of a sense of civic duty. I commend Mr. Shankroff for being able to take such a lofty and detached stand in his attitude towards the personal and professional qualifications of Mr. Sobeloff for the judgeship to which he has been nominated.

The Senate will be interested in the grounds and objections Mr. Shankroff urges against the confirmation of Mr. Sobeloff. I trust the subcommittee will go into the charges in the latest statement of Mr. Shankroff. They need careful study and investigation.

Unless this nomination is withdrawn after the hearings progress, and the charges, which I believe are true, have been substantiated by the records of the receiver and by a study of the court records, all of which are available in both Circuit Court No. 2 and the City Court of Baltimore, Md., I shall have a great deal more to say about Mr. Sobeloff.

Mr. Shankroff made his original complaints against Mr. Sobeloff to me. I, in turn, transmitted them to the subcommittee. I have since conferred with Mr. Shankroff, in person, regarding his most recent statement of his objections to the confirmation. I stand ready to transmit any other true statement from any critic that can be verified to the subcommittee for its consideration. I stand ready to submit any evidence of wrongdoing on the part of Mr. Sobeloff, which would justify our refusal to confirm his nomination.

Mr. President, I send to the desk the letter of Mr. Charles Shankroff to the Senator from Wyoming [Mr. O'MAHONEY] and request that it be printed in the body of the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1956.

Hon. JOSEPH C. O'MAHONEY,
Senate Committee on the Judiciary,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I avail myself of the opportunity you twice extended to me Saturday, May 5, 1956, to give the subcommittee, of which you are chairman, a statement containing my objections to the confirmation of the nomination of Simon E. Sobeloff as judge of the Fourth Circuit Court of Appeals of the United States.

I ask that my statement be inserted in and made a part of the official transcript of the record of your hearings. I am furnishing copies hereof to the other members of the Judiciary Committee.

I want you and the committee to understand at the very outset that I have no personal grievance against Mr. Sobeloff. I never saw him until I appeared before the committee. I have not suffered from his wrongdoings. My sole concern is as a civic matter, and in the public interest. I speak entirely from the records as I have studied them. My entire concern is based upon my hope and belief that our judges should not only be men above every reproach but even above the suspicion of wrongdoing. I am sure this concept of mine is not too high and is fully shared by the committee.

I also wish to correct some of the errors in the transcript. I wish to straighten out some of the impressions that may be created by the testimony of Mr. Sobeloff and others. I wish your record to be an honest statement of the pertinent facts. I do not wish the committee to reach a conclusion upon tangent, incomplete, or twisted assertions of fact. Such a result would be unfortunate indeed.

(a) Mr. Hospelhorn (deputy bank examiner) stated his records (receiver's) were destroyed under a court order and were therefore not available. That is true to the extent it goes but he should have said their destruction was ordered on condition that the records be microfilmed. So the records are not in fact destroyed. They are available. None of the court records have been destroyed. Your subcommittee is entitled by subpoena and can see the pertinent portions of both sets of records.

(b) First of all relating to myself, I am an experienced real-estate operator. I am experienced in researching court records and documents. I have devoted well over a year in a study of the Baltimore Trust Co. case. It is case No. 20,433a, Docket 44a of 1935, now pending in Circuit Court No. 2, Baltimore, Md. The subcommittee can obtain, by subpoena, the proof of every statement of fact which I am about to make concerning this and the other cases.

(c) I am 74, not 72, years old.

(d) There were 15 court actions against the officers and directors of the Baltimore Trust Co.—9 in Circuit Court No. 2 of Baltimore City and 6 were in the City Court of Baltimore. They involved in the aggregate over 56 millions of dollars, not \$150 million as I am reported to have said. These actions were settled by Mr. Sobeloff and his associates who represented the receiver for the small sum of \$205,500. Sobeloff and his associates permitted the costs of these suits to be paid out of the assets of the receiver (the plaintiff). In the varying types of these 15 legal actions, the defendants were financially responsible and had the ability to respond in a much larger amount than the small settlement of \$205,500. Judge Roper praised Mr. Sobeloff for his report on the liability of the officers and directors. I condemn Mr. Sobeloff for his neglect in the execution

of his report and the small settlement he agreed upon.

I agree with Judge Soper that Mr. Sobeloff made a good report. Where I disagree, and Judge Soper remains ominously silent, is that Mr. Sobeloff did not pursue his good report and assist in forcing a full compliance therewith to the extent of the financial ability of those charged with the duty, responsibility, and financial liability to the depositors and creditors of the bank. The subcommittee should subpoena Mr. Sobeloff's reports (3) from the clerk of court (Circuit Court No. 2, Baltimore, Md.). They are available. They go into the questions of fixed criminal and civil liability, the bank's building, etc., in detail.

Mr. Sobeloff should not be confirmed by the Senate of the United States for the following, among other, reasons:

(a) Having reported as an officer of the court on the statutory liability of the officers and directors of the Baltimore Trust Co. that their monetary liabilities to the receiver aggregated in excess of \$56 million, he (Sobeloff) was derelict in permitting in 15 suits (6 in Baltimore City Court and 9 in Circuit Court No. 2 of Baltimore City) to be settled by the payment by only 17 of the 19 defendants of the small sum of \$205,500, while the financial responsibility and ability to pay more by the defendants was much greater. The effect of the small settlement was obviously detrimental to the rights of the receiver and those creditors represented by him. Two of the defendants paid nothing though each (P. L. Goldsborough and Donald Symington) was reputed to be of large financial means. A careful examination of only 1 of the 15 cases will substantiate this charge. The other cases, if and when examined, will aggravate the charge and at the same time compound and multiply the indisputable proof of it.

In case No. 21647, in docket 45, at page 391, commenced August 6, 1936, in circuit court No. 2 of Baltimore City, Md., and entitled Hospelhorn, Receiver (Sobeloff being one of his attorneys of record) versus Wm. A. Dixon, A. E. Duncan, Albert D. Hutzler, Wm. B. Matthai, Safe Deposit and Trust Company, and Frank Newcomer, Executors, etc., I. Manning Parsons, Donald Symington, Henry E. Treide, and Herbert A. Wagner, a sworn complaint was filed for damages aggregating \$20,206,014.79 for losses by reason of the negligence and inattention to duties by the defendants (former officers and directors). Mr. Sobeloff's fine reports charged acts of criminal and civil negligence. There were 42 accounts or items involving negligence in this one case alone. The court still has this record in its files as well as the records in the other 14 cases. The quare is "Why should Mr. Sobeloff have made the excellent report (Judge Soper's testimony) of the criminal and civil negligence on the part of the officers and directors in the first instance (1936) and their legal liabilities thereon, and then permit, as attorney of record for the receiver, the officers and directors to escape a \$56 million liability (1937) by the payment of only \$205,500?"

I suggest the propriety of a careful analysis of each of the 15 cases. Let the sunlight in on this conflict and obvious dereliction or contradiction of duties. It may be said that this settlement was approved by the court. Well, if that be true, why didn't Sobeloff appeal on behalf of the receiver? Or was it then, in 1937, to Sobeloff's greater personal interest to protect those being pursued by the receiver at the original instance of Mr. Sobeloff in his reports? The committee in pursuit of the truth may develop the correct answer.

I submit that the records in the case show that Mr. Sobeloff received \$30,000 from the receiver for his reports and later the sum of \$7,500 for the services in the 15 lawsuits he permitted to be settled for the trifling sum

of \$205,500, excusing as he did all liability on the part of financially able defendants Goldsborough and Symington. Your record should show what other amounts he may have received for resisting stockholder's liabilities, the questionable sale of the building and the other assets of the Baltimore Trust Co.

If Mr. Sobeloff was right in his reports that the officers and directors were guilty of criminal and civil negligence wherein sworn losses in excess of \$56 million were suffered by the creditors, how can he be right in settling those losses against financially responsible defendants for the negligible sum of \$205,500? In which case was he right?

In an early suit by a stockholder, Mr. Sobeloff sought the court of appeals (Maryland) ruling on the statutory stock liability of a stockholder and it was determined in that decision that a liability of \$10 per share was proper. Why did he permit, without appeal, Judge O'Dunne to settle the stockholders' liability later at only \$5 per share? Whose interest did he represent? Did he represent the resisting and contesting stockholders or did he represent the best interests of the estate of the receiver? Did he at various times get compensation from both sides of this issue? Did the receiver not lose over \$1 million in losses from inadequate assessments by Sobeloff representing conflicting interests at the time of the settlement?

The 15 cases are as follows:

Circuit court No. 2: Case No. 21647, docket 45A, year 1936, page 391; case No. 21648, docket 45A, year 1936, page 392; case No. 21649, docket 45A, year 1936, page 393; case No. 21650, docket 45A, year 1936, page 394; case No. 21651, docket 45A, year 1936, page 395; case No. 21652, docket 45A, year 1936, page 396; case No. 21653, docket 45A, year 1936, page 397; case No. 21654A, docket 45A, year 1936, page 398; case No. 21655B, docket 45A, year 1936, page 399.

City Court of Baltimore, Md.: Case No. 164, year 1936; case No. 165, year 1936; case No. 166, year 1936; case No. 167, year 1936; case No. 168, year 1936; case No. 169, year 1936.

A copy of 1 of these 15 suits is attached hereto for the information of the committee. The foregoing suits for criminal and civil negligence whose damages are laid in an amount in excess of \$56 million are not the ordinary types of negligence suits where the amounts claimed are flexible or elastic and dependent upon the arrival of a judgment by men of varying opinions. The amount of \$56 million was mathematically determined in the excellent report of the fixed dollar liability by Mr. Sobeloff. How now can he justify or how could he then justify a settlement of a fixed liability for the miserly sum of \$205,500, especially against defendants whose financial ability was beyond question as being competent to respond in a larger sum? Mr. Sobeloff's judgment is festered in either his (a) reports or (b) his settlement without dissent of a \$56 million liability for \$205,500.

I submit the above and the other 14 cases reveal that Mr. Sobeloff knowingly represented interests that were in conflict. His conduct is well within the condemnation of the Department of Justice in the case recently reported in the press against the firm of Sullivan & Cromwell.

On page 47, line 14, of the transcript of hearing, Mr. Enos S. Stockbridge made the astounding and conflicting statement:

"There was nothing in the situation which could by any stretch of the imagination create a situation of conflict of interest."

In other words, Mr. Stockbridge contends that Sobeloff's resistance in a court case against the receiver to a stockholders' liability does not conflict with the duties assumed by him and as shown in his reports as an officer of the court representing the receiver in recommending the officers', stock-

holders', and directors' fixed liabilities. Patently Mr. Stockbridge is in error in his conclusion, for he later admits in his next paragraph:

"Mr. Sobeloff was acting as a representative of the court to perform a duty assigned to him. As a matter of fact the settlement which resulted was of benefit to the stockholders, in that it was something less than the full statutory liability."

In other words, Mr. Stockbridge approves Mr. Sobeloff's failure as a representative of the court to secure a full assessment of stock liability helpful to the stockholders in an amount of over \$1,200,000 and to that very extent harmful to the depositors and creditors. Was he representing the court correctly and properly in reducing the stockholders' losses and thereby increasing the creditors' losses? The contradiction of interests and results are patent to the discerning and inquiring mind. Doubletalk is no excuse for this.

Former Senator Radcliffe on page 60, at line 17, of the transcript says, "There was no criticism from any member of the committee of Mr. Sobeloff at any time but on the contrary, the members of the committee felt that in a very trying situation he had handled himself entirely with propriety."

On page 61 of the transcript, at line 6, Senator O'MAHONEY asked, "What was the official relationship between the committee and the nominee?" Senator Radcliffe answered, "None," and later Senator Radcliffe said at line 22, on page 61, "No, none whatever."

What then becomes of the former Senator's praise? The fact of the matter was that the committee there referred to acted before the date of the receivership and before Mr. Sobeloff's connection with the receivership. See Hospelhorn's testimony on page 67 of the transcript at lines 21 and 22. Mr. Hospelhorn in his testimony at page 65, line 7, says he was the former receiver of the Baltimore Trust Co. He is still the receiver, for the case is still open, pending and not closed.

Mr. Hospelhorn, on page 68, line 7, of the transcript, says he paid 70.34 percent on the dollar. This I believe, was the refund to the depositors only. The record will show that the stockholders, officers, and directors and guaranty fund contributors' losses exceeded \$50 million. (See court records.)

Mr. Hospelhorn again on page 69 of the transcript says that Mr. Sobeloff had no connection with the Baltimore Trust Co. building. That statement is not true. Mr. Sobeloff made an elaborate report on the building showing it had been devalued to \$1 subject to a trust note of \$5 million. Rigger, a straw man figured in several deals for the building and in other deals of the trust company. The committee will wish to know whether Mr. Sobeloff represented, directly or indirectly, Mr. Funkhouser or his affiliates. On this point the further testimony of Mr. Sobeloff is necessary and the testimony of Mr. Funkhouser is essential. The sale in 1941 of the stock representing the ownership of the Baltimore Trust Building was part of a conspiracy by Rigger, Funkhouser, Hospelhorn and others to cheat and defraud the depositors and creditors of the Baltimore Trust Co. The transaction was not several or three steps removed as Mr. Hospelhorn (at p. 70, line 15, of the transcript) testified and before Mr. Sobeloff got into the picture with Mr. Funkhouser. This testimony is incorrect because the court record contains a letter from Mr. Hospelhorn dated in November 1942, that Mr. Funkhouser bought the stock and the \$5 million note. Then, in 1942, Mr. Donald Symington (see his estate papers in probate court of Harford County, Md.) bought the remaining assets of the Baltimore Trust Co. through the Colonial Mortgage Co. which included the note of \$5 million and other notes for \$160,000. Mr. Symington at the same time acquired all the assets which the Colonial Mortgage Co. had bought which also

without increasing output of crops now in surplus. Substituting lower cost methods or materials for those now in use is one way to do this. For example, if we can use chemicals instead of tillage or as a substitute for some of the tillage to reduce weeds we often can reduce costs. In Mississippi during the past 5 years, the cost of controlling cottonfield weeds with chemicals has averaged about \$9 per acre as compared with \$15 for conventional methods.

V. IMPLICATIONS FOR MILITARY PREPAREDNESS

The saying is that "an army travels on its stomach," and today's army has many special needs in food, clothing, and materials. One thing the Department has done is to build up stockpiles or sources of strategic materials. They are doing—or have done—research on numerous strategic raw materials and substitute—abaca, hemp, kenaf, phormium, sansevieria, castor beans—production and mechanization—extra-long staple cotton, canaigre, opium poppy seed, guayule, hevea rubber, digitalis, and belladonna.

Another way they help meet special military needs is in converting foods into palatable and nutritious forms that use a minimum of shipping and storage space, and keep well through long storage, often under adverse conditions. Normal civilian supplies in many cases do not fill these requirements.

Preservation of perishable foods in a palatable form became a major project for agricultural research at the beginning of World War II. At that time, dehydration offered the fastest method of meeting the basic need. Dried milk, dried potatoes, and powdered eggs are the most familiar products of this wartime research.

A further development was the compression of dehydrated foods. Compression not only reduced space requirements by 50 to 80 percent; it also saved metal containers. For example, enough dehydrated carrots to serve 800 men can be compressed into a 5-gallon can. Compression of dehydrated meat not only saved shipping space, it also helped the meat retain palatability.

Human nutrition people art constantly learning more of what food elements the human machine needs to function at optimum levels. Their studies on food composition were the basis for development of survival rations and subsistence diets used by the Army and Navy during World War II. Although the war has long since been over, progress in food research has continued.

It should be pointed out to any skeptical World War II veteran that further research has given the dried egg a new personality. The culprit mainly responsible for wartime objectionable flavors—glucose—was discovered and is now eliminated before the eggs are dried. Today's product is so good it has made the new cake mixes a rousing commercial success.

One of the newer products is orange juice powder that dissolves instantly, even in ice water, to make a juice with the color, flavor, and nutritive value of fresh orange juice. It can be stored at room temperature, and the Army so far

has taken the full output. I am sure the military is also interested in further developments along this line, which are bringing tomato and other juices in powdered form.

A new food preservation process, called dehydrofreezing, combines the space and weight economies of dehydration with the convenience and freshness—retention of freezing. Dehydrofrozen apples, for example, have a much firmer texture when thawed and make better pies than apples frozen in the usual way. Dehydrofrozen foods should have considerable value in supplying posts, camps, and stations, and for special overseas needs.

Agricultural research also has a share in protecting the health of men in the Armed Forces. Commercial production of penicillin during World War II is an example. Although Dr. Fleming of England had proved the almost miraculous power of penicillin to overcome infections, the problem was how to produce it in large enough quantities to save battle casualties. The British came to us. Together, we found the way. During 1945, more than 7,000 billion units were produced—enough to treat 700,000 serious cases, enough to save the lives of thousands of soldiers. In addition, this wartime research led to improved methods of recovery and purification of penicillin. It lengthened the storage life from 3 to 18 months, and reduced the wholesale price from \$20 to 60 cents per 100,000 units. The penicillin story is only one example of agricultural research that has given us new and useful medicines.

One of the most recent agricultural research contributions to medical science is dextran blood plasma substitute. Dextran first went to war in Korea. It proved effective in treating shock, which usually follows battle wounds. This fluid, made from corn sugar, can save thousands of lives in an emergency. It can be mass-produced at low cost. And it can be stored without refrigeration.

In the search for new uses for farm products, scientists have developed a starch sponge, useful in curtailing hemorrhage. It can be sewed up in a wound if need be, since it will be absorbed by the body.

Another contribution is the new two-way stretch cotton bandage. Last year, the Armed Forces saved \$5 million by using it instead of the more expensive elastic bandages. It allows free movement of a bandaged elbow or knee.

Agricultural research during World War II led to methods for sterilizing wool in such a way that the fabric was left soft and pliable. Loss in breaking strength was less than one-sixth. This is important to any army that spends millions of dollars each year for woolen clothing, blankets, and such.

More recently, with the cooperation of the Army Quartermaster, the Department has developed a mixture of DDT with chemical carriers that can be washed into woollens to protect them against clothes moths and carpet beetles for more than a year.

Cotton yarn and fabric highly resistant to rot and mildew, and able to stand greater heat than ordinary cotton was

highly useful for uniforms in the Tropics. Here again, research is not content with the past, but is striving for further improvement. In cooperation with the Quartermaster Corps, advances have been made in flame-proofing cotton for military clothing.

A major cause for discarding shoes, particularly in the Army, is breakdown of insoles. How many pairs of shoes do our Armed Forces use each year? Let us say 3,000,000. Agricultural research has found a process for retanning the insole leather with alum, which increases wearability. If we can get the equivalent of 300,000 additional shoes from this process, that means a saving, at a conservative estimate of \$5 a pair, of \$1,500,000 a year. In addition to all this, wearing tests have shown the new insoles are far more comfortable.

During the Second World War, Department chemists hit upon a new method of stabilizing guncotton—or nitrocellulose. This method saved about two-thirds of the time formerly needed in making the explosive, and made possible substantial savings in the cost of smokeless powder for large-caliber guns.

Smokeless powder production gained another boost from the development of a machine that cuts cotton fiber to very short lengths—about one-tenth inch. This machine paved the way for emergency use of cotton lint in making smokeless powder, speeding up the process, and reducing cost.

Another contribution was the development of "soft grit" blasting, using ground corncobs and rice hulls, for the removal of hard-carbon deposits from cylinders and pistons of aircraft engines being overhauled. The soft grit is not abrasive and does not cause dimensional changes in the parts. Neither masking of parts nor use of hand tools is required.

A recent development is the lightweight respirator that protects against new insecticidal sprays and dusts. When German-developed insecticides from poison gases were first tried here after World War II, we had no breathing device to protect the users. This new equipment is worn over the nose and mouth, and filters or absorbs toxic fumes from the air.

I suppose all of us have heard of the diffusion fiberboard that protects against poison gases and disease-laden particles, and gives some protection against radioactive fallout. This development—the result of cooperative United States Forest Products Laboratory and Army Chemical Corps research—is another example of how diversified is the agricultural research contribution.

I need not remind Senators of the work on packaging of war shipments during World War II, or the application of Forest Service photogrammetry experience, and smoke-jumping techniques, to military needs.

Currently, forest fire-fighting research is opening interesting possibilities for the use of helicopters in protecting defense installations. Also of current interest are the studies underway on cellulose nitrate as a means of improving forest sources

of raw materials needed for Army Ordnance.

There are many other lines of research that hold promise for future military application. We shall hear about them as time goes on.

I regret that the President, in both his budget message and his special farm message, failed to fully recognize and emphasize a problem which, from the standpoint of its benefits to agriculture, is just as important, if not more important, than the amount of money included in the budget. I refer to the need for a long range program of agricultural research. So far, we have operated on a year-to-year basis. Perhaps under existing authority, the Department can operate only on this basis. But the fact remains that the need to abandon this year-to-year approach and substitute for it a well-planned, coordinated program is just as acute, if not more so, than ever before.

The Nation's farm organizations and commodity groups are urgently recommending the establishment of a long range research program. They cannot, by themselves, achieve this sound objective. Certainly they must have the help of the Congress, and just as importantly, the executive agencies which plan these activities and schedule funds to carry them out.

We need, desperately, to decide just what we want to achieve through research for agriculture. We must then lay out a program which offers the best hope of achieving the desired result and, more importantly, standing by the program once it has been decided upon. Research is a continuing year-to-year activity. Much research work cannot be done on a short-term basis. We cannot turn research on and off without sacrificing many of the potential benefits or, I might add, without substantial loss through wasted motion and inefficient operation.

We can never achieve a research program that gives sufficient emphasis to fundamental research as long as we operate as we do now. Under a long range, planned program scientists could be assigned over a period of years to study specific problems which could return untold benefits to the farmers and to the country as a whole.

The payoff from research can be big. All of you, I am sure, recall the story of frozen concentrated orange juice mentioned earlier. This one successful research project restored stability to the citrus industry, created an entirely new industry producing a product which has won wide consumer acceptance. Without a doubt the tax revenue each year from the new wealth created by this one example of agricultural research is many times the original investment. Research is the spearhead of economic growth in a modern industrial nation and may be the most important single factor in the economic growth in the United States. What research has done for other industries, it can do for agriculture.

I am not underestimating the value of the type of research work we now have. But the point is that our present research program is inadequate. It does not al-

low, either in planning or financing, the scientists to attack many of the basic research problems—the projects which are likely to pay off in tremendous permanent gains for agriculture. Basic research is by nature a time-consuming, long-range business. Usually the payoff is many years away, but once achieved, the results fully justify the detailed planning and the long-range approach.

We need to know a great deal more about the cultivated plants which produce our food and fiber. Why does cotton shed many of the buds which appear on a stalk of cotton? Why is one plant disease resistant while another is not? What hidden treasures do the wild or uncultivated species of plants hold? Are not these things worthy of investigation?

We need a program projected over some set period—5 or 10 years, perhaps. No sudden increase in appropriations would be required. Rather, it would be a gradual increase, with the appropriation geared to the ability of the Department of Agriculture, within its present framework, to make maximum use of funds voted. We all know that capable staffs cannot be recruited overnight. Nor can necessary facilities be created in a matter of days. What is needed, I repeat, are moderate annual appropriation increases, scheduled to come as fast as they can be used in an orderly expansion of research work; changes in recruiting procedures which would permit hiring in January of June college graduates; surveys to determine facilities needed for future expansion; and realignment in salary schedules commensurate with responsibility and to more nearly meet industrial pay scales.

Our research people will have a blueprint in front of them from which to make their long-range plans. They can, with confidence that their plans will not be disrupted by wide fluctuations in appropriations, lay out basic research programs to extend into the future. Scientists can delve into some of the more fundamental problems. They can point the way to a steady improvement in agriculture's position.

Agricultural research is not a partisan issue and I want to stress that it benefits not only the farmer but also the consumer and the Nation as a whole. I am proud that the Research and Marketing Act, which conceived the research program as it exists today, was passed by a unanimous vote of both Houses of Congress.

I am impressed by the fact that it has had the unanimous support of our farm and commodity organizations—practical farmers who see research, as I do, pointing the way toward a more stable prosperous agriculture.

I am pleased that the Republicans are wholeheartedly for agricultural research. I sincerely hope that the President's request for additional funds in the budget is a forerunner of a broad, long-range research program.

Mr. President, what I have said with reference to the long-range program and what I have said with reference to the need of getting competent young scientists is all the more apropos in view of

the demands and needs of the military, and of the great industrial companies and corporations of our country, who are bidding the top prices for these prime young men as they come out of colleges and other training centers, which are especially equipping them for this purpose. We who are interested in agriculture, and those of us from States where it is such an important part of the economy of our people, must be alert to this added, long-range need, to provide and put into effect what I term a long-range program, and must make certain that money is provided to get these young men and to divert their interests into these channels, and to train them, as well as to get them over the years.

Otherwise such a program, competition for scientists being what it is, is bound to lag. I believe the present research program is making fine progress. We have had a substantial increase and expansion of its activities. However, the long-range program is absolutely necessary, and I believe the next few years will be very critical years.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. STENNIS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANIEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANIEL. Mr. President, I send to the desk an amendment to the pending bill, H. R. 10875, on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. Without objection, the amendment will be received and will lie on the table.

Mr. DANIEL. Mr. President, this amendment would establish a price support for grain sorghums, barley, oats, and rye at five percentage points less than that for corn in the commercial corn-producing area during each of the years 1956 and 1957 for those farmers who place 15 percent of their base acreage into the soil bank. It changes the committee bill by making the same provision applicable to both years instead of only to 1957 and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language on feed grains except that during 1956, those farmers who do not place 15 percent of their base acreage in the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year. The Senate committee wisely inserted this provision in the bill to maintain a fair

competitive relationship with noncooperators for corn, and our amendment adopts that policy. It would also leave intact the committee provision that if price support is made available in 1957 to corn producers not meeting acreage and soil-bank participation requirements, price support must be made available to noncomplying feed grain producers on the same relative basis. As to corn produced outside the commercial area, no change would be made in the Senate committee provision.

Mr. President, even in the face of increased corn production flowing from the Agriculture Department's liberal policy toward corn farmers, these feed grain producers want to cut down their acreage because they recognize the serious problems that a glutted feed market will bring. They are willing to do their part toward the solution of the existing surplus condition, but they cannot afford to curtail production at 76 percent of parity—their margin of profit is so small they will be forced to plant every acre not devoted to the basic crops. With an increased support level and participation in the soil bank, they will be able to make a fair return on a limited acreage.

If this amendment is approved, each farmer can figure for himself what 15 percent of his base acreage will be. Most of the grain sorghums produced in the Southwest are planted about the first of June, and I believe the planting season is at least that late or later for oats, barley, and rye. If the Agriculture Department acts promptly, data regarding acreage history will be available in a very short time, since acreage allotments on the basic crops were in effect for the last 2 years and much information is readily obtainable. Therefore, little or no plow-up would be necessary for those farmers desiring to participate in the program.

This is borne out, Mr. President, by telegrams which I have received from grain sorghum producers in the Texas Panhandle.

Mr. R. G. Peeler, a farmer in Castro County, president of the Grain Sorghum Producers Association, sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HEREFORD, TEX., May 15, 1946.

HON. PRICE DANIEL,
United States Senator From Texas,
Washington, D. C.

The planting of grain sorghums is negligible at this time in west Texas, Panhandle of Texas, New Mexico, Oklahoma, Colorado and Kansas. These areas produce approximately 80 percent of all grain sorghums grown in the Nation. Normal planting time for these areas does not start until the last week in May and extends through June. If law is enacted soon requiring a layout in acreage on grain sorghums, do not believe plow up will be necessary because farmers in these areas are expecting and anticipating the enactment of this section of the farm bill. We do not believe it will be any more trouble to attain past history on grain sorghums at this time than at any other season of the year. Farmers in this area will be glad to participate in the soil bank program to cut down production. It, however, is imperative

that farmers complying with the soil bank be supported at 81 percent of parity and those not complying at 76 percent of parity so as to stay in business and remain on their farms. The measuring of feed grains to assure compliance with the soil bank provision will not be any more difficult to administer than wheat and cotton, and can be done in a minimum length of time at \$2.00 per farmer plus 1 cent per acre, by the usual contracting method. Your active support is appreciated by the feed grain farmers in this area and it is hoped legislation will be enacted soon that will give them some much needed relief.

R. G. PEELER,
Farmer, Castro County, Tex., and
President of Grain Sorghum
Producers Association.

Mr. DANIEL. Mr. President, Mr. Frank Moore, of Plainview, a farmer in Hale County, Tex., also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., May 15, 1956.

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.

DEAR SIR: We are watching the new farm bill with keen interest as we have about 45 more days in which to plant our grain sorghum and as not more than 1 percent of the grain sorghums have been planted to date we can easily comply with the soil bank acreage reserve. We grain farmers are willing and want to reduce our acreage in order that a huge surplus will be avoided and we can start operating in the black again with an increase in price support. It will not be very difficult to figure the base acreage as we have been planting our remaining acres after our basic crops have been planted in 1954 and 1955. Many of us must have relief this year or we will not be farming in 1957. Anything you can do to help relieve our desperate situation will be greatly appreciated.

Sincerely,

FRANK MOORE,
Farmer, Hale County, Tex.

Mr. DANIEL. Mr. President, Mr. Melvin Glanz, president of the Hale County Grain Sorghum Producers Association, also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., May 15, 1956.

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.:

Regarding the price support provisions contained in the farm bill now being considered by the Senate I should like to point out the danger of seriously increasing the already large surplus of feed grains if the acreage of such crops is unrestricted in 1956 as approved by the Senate Agriculture Committee. Less than 1 percent of the grain sorghum acreages of this area which produce 60 percent of the Nation's grain sorghums have been planted. The normal planting extends over the next 45 days with the greatest acreage planted between June 1 to the 15th. Therefore, there is still time to include the 1956 crop in the acreage reserve provisions of the soil bank. We farmers are anxious that a program which will halt the ever-increasing surplus of such feed grain be adopted. We also need relief

from the present disastrously low price of feed grains which is the result of yearly acreage increases in feed grains as acreages have been reduced in the so-called five basic commodities. I believe these two needs of the feed grain producers can be accomplished if the 1957 price support and acreage control provisions of the present measure approved is adopted for the 1956 crop year.

Yours truly,

MELVIN A. GLANZ,
President, Hale County Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, I have a number of other telegrams which I shall not take the time of the Senate to read, but they all substantiate what is stated in the telegrams I have just placed in the RECORD.

Mr. Peeler and the other gentlemen whose telegrams I have placed in the RECORD speak not only for themselves, and for the growers in their area, but also for the members of their association in New Mexico, Oklahoma, Kansas, and Colorado.

To summarize, Mr. President, I believe members of the Agriculture Committee and its distinguished Chairman, the Senator from Louisiana [Mr. ELLENDER], have done excellent work in dealing with this difficult feed grain problem in view of their desire to report out a new farm bill as promptly as possible. They should be commended by the Senate and the entire farm population for their efforts to provide a fair competitive relationship between corn in the commercial area and other feed grains. I believe, however, that feed grain producers who want to do so should be given an opportunity this year to reduce their acreage and participate in the soil bank.

One of the best arguments for the amendment we have proposed is contained in the minority report on the bill where it is stated:

The Department of Agriculture estimates that feed grains equivalent to 800 million bushels of corn by weight were produced in 1954 and 1955 on land taken out of controlled crops. Many of these grain producers have gone into livestock, dairy, and poultry production and have helped to depress the livestock, dairy, and poultry markets.

Mr. President, that is the same point which I earlier stated this afternoon in the exchange with the Senator from Vermont [Mr. AIKEN]. He said that the poultry, dairy, and livestock industries might be hurt by the increase in the price of feed grains.

Actually, those industries have already reported that they are being hurt by the fact that the producers of excessive feed grains are going into the business, and feeding to their own cattle, hogs, and poultry the feed they would like this year to reduce. They want to get out of that kind of business. They are glutting the livestock market already and are hurting the producers of livestock by reason of the fact that in order to make ends meet, they must go into the business and compete with the livestock people themselves.

Mr. President, the feed grain producers want to do something to correct this situation. I hope the Congress of the United States will help them to attain this worthy objective.

REORGANIZATION PLAN NO. 2 OF 1956, RELATING TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 406)

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 2 of 1956.

The Chair is informed that the message, also transmitted to the House, has been read in that body and referred.

Without objection, the message, with the accompanying plan, will be printed in the RECORD without reading and appropriately referred.

The message from the President and Reorganization Plan No. 2, of 1956, were referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of management was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally, (1) supervision and regulation of the 11 home-loan banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, in-

cluding concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home-loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to \$750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately \$28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federal Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who chartered and supervises national banks and is

a member of the Board of Directors of that Corporation but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, May 17, 1956.

REORGANIZATION PLAN NO. 2 OF 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 17, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 1. Board of trustees: (a) There is hereby established the Board of Trustees of the Federal Savings and Loan Insurance

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued

May 21, 1956

For actions of

May 18, 1956

84th-2nd, No. 82

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed farm bill. Senate committee reported USDA appropriation bill. Senate received USDA proposal to increase Public Law 480 authorization to \$3 billion. Sen. Ellender inserted his speech discussing two-price rice plan and farm bill. Rep. Smith, Miss., inserted speech of F. C. Daniels, CSS Sales Manager, on disposal of surplus commodities.

SENATE

1. FARM PROGRAM. Passed with amendments H. R. 10875, the new farm bill. pp. 7594, 7614 Agreed to the following amendments:
 - By Sen. Young, to authorize CCC to sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes, by a vote of 49 to 31. p. 7594
 - By Sen. Aiken, to freeze transitional parity for basic commodities through 1957 (instead of through 1958 as was specified in the bill). p. 7599
 - By Sen. Mundt, to permit the production of price supported crops in surplus supply on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations. p. 7600
 - By Sen. O'Mahoney, to provide that in the case of violation of contracts under the acreage reserve and conservation reserve program prohibiting the grazing of reserve acreage, the producer shall forfeit all rights to further payments under the contract and shall refund any soil bank and price support payments received during the crop year in which the violation occurred. p. 7601
 - By Sen. Holland, to fix a price support for the 1956 crop of grain sorghums, barley, rye, and oats at 76% of parity price for the commodities as of April 15, 1956; to grant 82½% of the level of price supports for grain in the commercial corn-growing areas to the corn producers in the non-commercial areas;

- and to provide price supports for the 1957 crop of grain sorghum, barley, rye, oats, and corn produced outside the commercial corn-producing area at a level not less than 70% if price support is made available for the 1957 crop of corn in the commercial corn-producing areas to producers not complying with acreage limitations, by a vote of 73 to 14. p. 7604 (Rejected an amendment by Sen. Daniel, as a substitute for the Holland amendment, to establish a price support for grain sorghums, barley, oats, and rye at 5% less than for corn in the commercial corn-producing area during 1956 and 1957, for those farmers who place 15% of their base acreage into the soil bank. p. 7609)
- By Sen. Stennis, as a substitute for an amendment by Sen. Anderson, to provide that the cotton acreage reduction within any State shall not exceed 1% for either the 1957 or 1958. p. 7614
- By Sen. Anderson, as amended, to provide that in the export sale of cotton the CCC may accept bids in excess of the specified maximum prices, but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton. pp. 7616, 7635
- By Sen. Byrd, to exempt wheat producers from marketing penalties, beginning with the 1955 crop, if the entire crop was used on the farm for seed or feed. p. 7627
- By Sen. Williams, to limit payments under the acreage reserve program to \$25,000, under the conservation reserve program to \$7,500, and under the price support provisions of the bill to \$50,000 for any individual or corporation, by a vote of 44 to 29. p. 7638 (This amendment was later rejected by a vote of 28 to 43, and a motion to reconsider the vote was laid on the table. p. 7639)
- Rejected the following amendments:
- By Sen. Williams, to strike out all provisions of the bill extending mandatory support prices to barley, grain sorghums, oats, and rye, by a vote of 39 to 44. A motion to reconsider the vote was laid on the table. p. 7602
- By Sen. Smith, to strike out section 203 expanding the export sales program for cotton by requiring that cotton be priced competitively with that of other countries, by a vote of 13 to 71. p. 7615
- By Sen. Smith, to strike out section 202 directing CCC to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton. p. 7620
- By Sen. Smith, to provide for the treatment of Cuba on the same basis as other countries with respect to the exportation of rice for which certificates have been issued. p. 7622
- By Sen. Dirksen, to strike out title V of the bill authorizing the Secretary to institute a two-price program for rice. p. 7622
- By Sen. Hickenlooper, to make the 1956 corn crop eligible for price support if the producer devoted an acreage to the soil bank by entering into a contract under the conservation reserve program prior to Dec. 31, 1956. p. 7624
- By Sen. McClellan, to encourage the consummation of agreements with oriental countries for the sale of rice in surplus supply. p. 7628
- By Sen. Chavez, to increase acreage allotments for Valencia- or Virginia-type peanuts. p. 7630
- By Sen. Martin, to strike out section 402 authorizing a system of price reporting for basic forest products, expansion of research in the marketing of forest products, and providing for a study of price trends and report to Congress on such products. p. 7630
- By Sen. Monroney, to provide for a conservation reserve program for grazing lands. p. 7637
- Sen. Murray inserted suggestions made by the Mont. Democratic Party for a national farm program. p. 7593

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 18 (legislative day, MAY 7), 1956

Ordered to be printed with the amendments of the Senate numbered

AN ACT

To enact the Agricultural Act of 1956.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Agricultural Act of
4 1956".

TITLE I—SOIL BANK ACT

SHORT TITLE

7 SEC. 101. This title may be cited as the "Soil Bank Act".

DECLARATION OF POLICY

9 SEC. 102. The Congress hereby finds that the produc-
10 tion of excessive supplies of agricultural commodities de-

1 presses the prices and income of farm families; constitutes
2 improper land use and brings about soil erosion, depletion of
3 soil fertility, and too rapid release of water from lands
4 where it falls, thereby adversely affecting the national wel-
5 fare, impairing the productive facilities necessary for a con-
6 tinuous and stable supply of agricultural commodities, and en-
7 dangering an adequate supply of water for agricultural and
8 nonagricultural use; overtaxes the facilities of interstate
9 and foreign transportation; congests terminal markets and han-
10 dling and processing centers in the flow of commodities from
11 producers to consumers; depresses prices in interstate and
12 foreign commerce; disrupts the orderly marketing of com-
13 modities in such commerce; and otherwise affects, burdens,
14 and obstructs interstate and foreign commerce. It is in the
15 interest of the general welfare that the soil and water re-
16 sources of the Nation be not wasted and depleted in the
17 production of such burdensome surpluses and that interstate
18 and foreign commerce in agricultural commodities be pro-
19 tected from excessive supplies. It is hereby declared to be
20 the policy of the Congress and the purposes of this title to
21 protect and increase farm income, to protect the national soil,
22 water, and forest and wildlife resources from waste and
23 depletion, to protect interstate and foreign commerce from
24 the burdens and obstructions which result from the utilization
25 of farmland for the production of excessive supplies of

1 agricultural commodities, and to provide for the conservation
 2 of such resources and an adequate, balanced, and orderly
 3 flow of such agricultural commodities in interstate and for-
 4 eign commerce. To effectuate the policy of Congress and
 5 the purposes of this title programs are herein authorized to
 6 assist farmers to divert a portion of their cropland from the
 7 production of excessive supplies of agricultural commodities,
 8 and to carry out a program of soil, water, forest and wildlife
 9 conservation. The activities authorized under this title are
 10 supplementary to the acreage allotments and marketing
 11 quotas authorized under the Agricultural Adjustment Act of
 12 1938, as amended, and together with such acreage allotments
 13 and marketing quotas, constitute an overall program to pre-
 14 vent excessive supplies of agricultural commodities from bur-
 15 dening and obstructing interstate and foreign commerce.

16 SUBTITLE A—ACREAGE RESERVE PROGRAM

17 TERMS AND CONDITIONS

18 SEC. 103. (a) Notwithstanding any other provision of
 19 law, the Secretary of Agriculture (hereinafter referred to as
 20 the "Secretary") is authorized and directed to formulate and
 21 carry out an acreage reserve program for the (1)1956, 1957,
 22 1958, and 1959 crops, (2)*and to the extent he deems practi-*
 23 *cable for the 1956 crop*, of wheat, cotton, corn produced in the
 24 commercial corn-producing area, (3)*other feed grains (corn*
 25 *produced outside the commercial corn-producing area; grain*

1 sorghums, barley, rye, and oats), peanuts, rice, flue-cured
2 tobacco, burley tobacco, Maryland tobacco, dark air-cured
3 tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar
4 binder tobacco types 51, 52, 54, and 55, Ohio cigar filler
5 tobacco types 42, 43, and 44, respectively ~~(4)~~ and such other
6 field crops as the Secretary may designate (hereinafter
7 referred to as "the commodity"), under which producers
8 shall be compensated for reducing their acreages of the
9 commodity below their farm acreage allotments or their
10 farm base acreages, whichever may be applicable. To be
11 eligible for such compensation the producer (1) shall re-
12 duce his acreage of the commodity below his farm acreage
13 allotment or farm base acreage, whichever may be appli-
14 cable, within such limits as the Secretary may prescribe, (2)
15 shall specifically designate the acreage so withdrawn from
16 the production of such commodity (hereinafter referred to
17 as the "reserve acreage"), and (3) shall not harvest any
18 crop from, or graze, the reserve acreage unless the Secretary,
19 after certification by the Governor of the State in which such
20 acreage is situated of the need for grazing on such acreage,
21 determines that it is necessary to permit grazing thereon in
22 order to alleviate damage, hardship, or suffering caused by
23 severe drought, flood, or other natural disaster, and consents
24 to such grazing. ~~(5)~~ *In the event that the Secretary deter-*
25 *mines that there has been a violation of this provision pro-*

1 *hibiting the grazing of reserve acreage during the time such*
2 *producer has control of the farm and that such violation is of*
3 *such a substantial nature as to warrant termination of the*
4 *contract, the producer shall forfeit all rights to further pay-*
5 *ments or grants under this contract, shall refund to the United*
6 *States all payments and grants theretofore received by him*
7 *thereunder during the crop year in which the violation*
8 *occurred, and shall forfeit all, none, or such part of such price*
9 *support benefits he may otherwise be entitled to receive for*
10 *such year under the provisions of the Agricultural Act of*
11 *1949, as amended, and shall refund to the United States all,*
12 *none, or such part of such benefits theretofore received by*
13 *him under the provisions of said Act during the crop year in*
14 *which such violation occurred, as the Secretary may deter-*
15 *mine to be appropriate. Reserve acreage of a commodity may*
16 *include acreage whether or not planted to the production of*
17 *the 1956 crop of the commodity prior to the announcement*
18 *of the acreage reserve program for the 1956 crop if the*
19 *crop thereon, if any, shall be plowed under or otherwise*
20 *physically incorporated into the soil, or clipped, mowed, or*
21 *cut to prevent maturing so that the reduction in acreage of*
22 *the commodity below the acreage allotment occurs (6)within*
23 *not later than 21 days after the enactment of this title, or by*
24 *such later date as may be fixed by the Secretary. (7)In addi-*
25 *tion to the foregoing, the Secretary is authorized and directed*

1 to formulate and carry out during the years 1956, 1957, 1958,
2 and 1959 an acreage reserve program for grazing lands under
3 which farmers or ranchers will be compensated for reducing
4 their acreages of grazing lands and making a corresponding
5 reduction in livestock units below a representative period
6 designated by the Secretary. All the provisions of this title
7 not inconsistent therewith shall apply to the grazing lands
8 acreage reserve program. The reserve acreage shall be
9 in addition to any acreage devoted to the conservation
10 reserve program authorized under subtitle B of this title.
11 The acreage reserve program may include such terms and
12 conditions, in addition to those specifically provided for
13 herein, including provisions relating to control of noxious
14 weeds on the reserve acreage, as the Secretary determines
15 are desirable to effectuate the purposes of this title and to
16 facilitate the practical administration of the acreage reserve
17 program.

18 Before any producer is entitled to receive any compen-
19 sation for participating in the acreage reserve program, he
20 must first enter into a contract with the Secretary, which
21 contract, in addition to such other terms and conditions as
22 may be prescribed by the Secretary, shall contain provisions
23 by which such producer shall agree:

24 (i) In the event that the Secretary determines that
25 there has been a violation of the contract at any stage dur-

1 ing the time such producer has control of the farm and that
2 such violation is of such a substantial nature as to warrant
3 termination of the contract, to forfeit all rights to payments
4 or grants under the contract, and to refund to the United
5 States all payments and grants received by him there-
6 under: *Provided, however,* That the provisions of Section
7 107 (d) shall apply ~~(8)~~to the termination of any contract
8 hereunder.

9 (ii) In the event that the Secretary determines that
10 there has been a violation of the contract but that such vio-
11 lation is of such a nature as not to warrant termination of
12 the contract, to accept such payment adjustments, forfeit
13 such benefits, and make such refunds to the United States
14 of payments and benefits received by him, under the con-
15 tract, as the Secretary may determine to be appropriate.

16 (b) (1) There is hereby established ~~(9)~~for 1956 and
17 for each year for which an acreage reserve program is in effect
18 for corn a total base acreage of corn for the commercial
19 corn-producing area proclaimed under section 327 of the
20 Agricultural Adjustment Act of 1938, as amended, of fifty-
21 one million acres. The total base acreage of corn for the
22 commercial corn-producing area shall be apportioned
23 by the Secretary among the counties in such area on the
24 basis of the acreage of corn in such counties during the
25 five calendar years immediately preceding the calendar

1 year in which the apportionment is made (plus, in appli-
2 cable years, the acreage diverted under previous agricultural
3 adjustment, conservation, and soil bank programs), with
4 adjustments for abnormal weather conditions, for trends in
5 acreage during such period and for the promotion of soil-
6 conservation practices: *Provided*, That any downward ad-
7 justment for the promotion of soil-conservation practices
8 shall not exceed 2 per centum of the total base acreage
9 that would otherwise be apportioned to the county. The
10 base acreage for the county shall be apportioned by the
11 Secretary, through the local committees, among the farms
12 within the county on the basis of past acreage of corn
13 (planted and diverted), tillable acreage crop-rotation prac-
14 tices, types of soil, and topography.

15 (2) This subsection (b) shall become inoperative after
16 1956 if in the referendum conducted pursuant to section 308
17 (b), producers do not vote in favor of the program provided
18 in subsection (c) of such section.

19 ~~(10)(e)~~ For each year in which an acreage reserve program
20 will be in effect for corn, a farm base acreage shall be estab-
21 lished for feed grains. For 1956, in the commercial corn-
22 producing area, such farm base acreage for feed grains shall
23 be the average acreage on the farm planted to grain sor-
24 ghams, barley, rye, and oats, for the three years 1953, 1954,
25 and 1955; and outside the commercial corn-producing area,

1 such farm base acreage for feed grains shall be the average
2 acreage on the farm planted to grain sorghums, barley, rye,
3 oats, and corn, for the three years 1953, 1954, and 1955.
4 For 1957 and subsequent years in which an acreage reserve
5 program will be in effect for corn, there is hereby established
6 a total base acreage for feed grain (corn produced out-
7 side the commercial corn-producing area, grain sorghums,
8 barley, rye, and oats). Such total base acreage for feed grains
9 shall be the average acreage planted to such feed grains for
10 the three years 1953, 1954, and 1955, adjusted to reflect any
11 change in the commercial corn-producing area. The total
12 base acreage of feed grains shall be apportioned by the Secre-
13 tary among the States on the basis of the acreage of feed
14 grains (planted and diverted) in such States for the five cal-
15 endar years immediately preceding the calendar year in which
16 the apportionment is made, with adjustments for abnormal
17 weather conditions and for trends in acreage during such
18 period. The base acreage of feed grains for each State, less
19 a reserve of not to exceed 3 per centum thereof for appor-
20 tionment as provided by this subsection, shall be apportioned by
21 the Secretary among the counties on the basis of the acreage
22 of feed grains (planted and diverted) in such counties for the
23 five calendar years immediately preceding the calendar year
24 in which the apportionment is made, with adjustments for

1 abnormal weather conditions; for trends in acreage during
 2 such period and for the promotion of soil-conservation prac-
 3 tices: *Provided*, That any downward adjustment for the pro-
 4 motion of soil conservation practices shall not exceed 2 per
 5 centum of the total base acreage that would otherwise be
 6 apportioned to the county. The base acreage for the county
 7 shall be apportioned by the Secretary, through the local
 8 committees, among the farms within the county on the basis
 9 of past acreage of feed grains (planted and diverted), tillable
 10 acreage, crop-rotation practices, type of soil, and topography.
 11 The reserve set aside herein shall be apportioned to farms on
 12 which feed grains have not been planted for any of the crops
 13 for the three years immediately preceding the year for which
 14 the apportionment is made (such farms are hereinafter called
 15 "new feed grain farms"). Producers shall not be eligible for
 16 compensation under the acreage reserve program for feed
 17 grains, on new feed grain farms. For purposes of this sub-
 18 section, section 114, and section 308 (d) the terms "plant"
 19 or "planted", as used with respect to feed grains, other than
 20 corn, shall mean plant or planted for harvest as grain.

21 EXTENT OF PARTICIPATION IN PROGRAM

22 SEC. 104. For purposes of the acreage reserve program
 23 the Secretary shall establish a national reserve acreage goal for
 24 the 1956 (11) (if such a program is in effect for such year),
 25 1957, 1958, and 1959 crops of each commodity specified in sec

tion 103 (a) ~~(12)~~, including grazing lands. The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage ~~(13)~~allotments, *allotments or* farm base acreages, ~~(14)~~*or other standards*, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

COMPENSATION OF PRODUCERS

SEC. 105. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash) :
Provided, That disposition of quantities of stocks hereunder

1 in any one year shall be limited to not more than two-thirds
2 of such quantities of such commodities as the Secretary de-
3 termines would be a reasonable estimate of what would have
4 been produced for marketing during such marketing year on
5 the acreage withheld from production under the provisions
6 of this title: *And provided further*, That such stocks shall
7 not be released prior to the end of the normal harvesting
8 season for the particular commodity being released. Com-
9 pensation under this section shall be at such rate or rates
10 as the Secretary determines will provide producers with a
11 fair and reasonable return for reducing their acreage of the
12 commodity, taking into consideration the loss of production
13 of the commodity on the reserve acreage, any savings in cost
14 which result from not planting the commodity on the
15 reserve acreage, and the incentive necessary to achieve the
16 reserve acreage goal. The Secretary shall make an adjust-
17 ment in yields for drought, flood, or other abnormal condi-
18 tions in estimating the loss of production for purposes of es-
19 tablishing rates of compensation. The rates of payment
20 offered under this section shall be such as to encourage pro-
21 ducers to underplant their allotments more than one year.
22 Commodities delivered to producers in redemption of such
23 certificates shall not be eligible for tender to Commodity
24 Credit Corporation under the price support program.

25 (b) Compensation shall be paid to any producer

1 for participating in the acreage reserve program for any
 2 year including 1956 when the Secretary has ascertained that
 3 such producer has complied with the acreage reduction re-
 4 quirements of such program for such year.

5 (c) The total compensation paid producers for partici-
 6 pating in the acreage reserve program with respect to any
 7 year's crop shall not exceed ~~(15)\$800,000,000~~ \$750,-
 8 000,000, and with respect to any commodity for any year
 9 shall not exceed the amount shown below: Wheat, \$375,-
 10 000,000; cotton, \$300,000,000; corn in the commercial
 11 corn-producing area, \$300,000,000; ~~(16)other feed grains,~~
 12 ~~\$175,000,000;~~ peanuts, \$7,000,000; rice, \$23,000,000;
 13 ~~(17)grazing lands, \$50,000,000; and tobacco, \$45,000,000~~
 14 ~~(18); and other crops, \$50,000,000.~~ The total amount
 15 available for the acreage reserve program for any year's crops
 16 shall be apportioned among the various commodities on the
 17 basis of the amounts required to achieve the reserve acreage
 18 goal for each commodity established under section 104.

19 EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

20 SEC. 106. (a) In the future establishment of State,
 21 county, and farm ~~(19)acreage;~~ acreage allotments under the
 22 Agricultural Adjustment Act of 1938, as amended, or base
 23 acreages under this title, reserve acreages applicable to any
 24 commodity shall be credited to the State, county, and farm

1 as though such acreage had actually been devoted to the
2 production of the commodity.

3 (b) In applying the provisions of paragraph (6) of
4 Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340
5 (6)), and sections 326 (b) and 356 (g) of the Agricultural
6 Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b),
7 1356 (g)), relating to reduction of the storage amounts of
8 wheat and rice, the reserve acreage of the commodity on any
9 farm shall be regarded as wheat acreage or rice acreage,
10 as the case may be, on the farm.

11 SUBTITLE B—CONSERVATION RESERVE PROGRAM

12 TERMS AND CONDITIONS

13 SEC. 107. (a) To effectuate the purposes of this title
14 the Secretary is hereby authorized to enter into contracts for
15 periods of not less than three years with producers deter-
16 mined by him to have control for the contract period of the
17 farms covered by the contract wherein the producer shall
18 agree:

19 (1) To establish and maintain for the contract period
20 protective vegetative cover (including but not limited to
21 grass and trees), water storage facilities, or other soil-,
22 water-, wildlife-, or forest-conserving uses on a specifically
23 designated acreage of land on the farm regularly used in the
24 production of crops (including crops, such as tame hay,

1 alfalfa, and clovers, which do ~~(20)~~ *not* require annual
2 tillage).

3 (2) To devote to conserving crops or uses, or allow to
4 remain idle, throughout the contract period an acreage of
5 the remaining land on the farm which is not less than the
6 acreage normally devoted only to conserving crops or uses
7 or normally allowed to remain idle on such remaining
8 acreage.

9 (3) Not to harvest any crop from the acreage established
10 in protective vegetative cover, excepting timber (in accord-
11 ance with sound forestry management) and wildlife or other
12 natural products of such acreage which do not increase
13 supplies of feed for domestic animals.

14 (4) Not to graze any acreage established in protective
15 vegetative cover prior to January 1, 1959, or such later
16 date as may be provided in the contract, except pursuant
17 to the provisions of section 103 (a) (3) hereof; and if such
18 acreage is grazed at the end of such period, to graze such
19 acreage during the remainder of the period covered by the
20 contract in accordance with sound pasture management.

21 (5) Not to adopt any practice, or divert lands on the
22 farm from conservation, woods, grazing, or other use, to any
23 use specified by the Secretary in the contract ~~(21)~~ *(including*
24 *the prohibition of grazing of conservation acreages)* as a

1 practice or use which would tend to defeat the purposes of
2 the contract.

3 (6) (A) In the event that the Secretary determines
4 that there has been a violation of the contract at any stage
5 during the time such producer has control of the farm and
6 that such violation is of such a substantial nature as to war-
7 rant termination of the contract, to forfeit all rights to pay-
8 ments or grants under the contract, and to refund to the
9 United States all payments and grants received by him
10 thereunder.

11 (B) In the event that the Secretary determines that
12 there has been a violation of the contract but that such
13 violation is of such a nature as not to warrant termination
14 of the contract, to accept such payment adjustments, forfeit
15 such benefits, and make such refunds to the United States
16 of payments and benefits received by him, under the con-
17 tract, as the Secretary may determine to be appropriate.

18 (7) To such additional provisions as the Secretary
19 determines are desirable and includes in the contract to
20 effectuate the purposes of this title and to facilitate the
21 practical administration of the conservation reserve pro-
22 gram, including provisions relating to control of noxious
23 weeds.

24 (b) In return for such agreement by the producer the
25 Secretary shall agree;

1 (1) To bear such part of the cost (including labor) of
2 establishing and maintaining vegetative cover or water
3 storage facilities, or other soil-, water-, wildlife-, or forest-
4 conserving uses, on the designated acreage as the Secretary
5 determines to be necessary to effectuate the purposes of this
6 title, but not to exceed a maximum amount per acre or
7 facility prescribed by the Secretary for the county or area
8 in which the farm is situated; and

9 (2) To make an annual payment to the producer for
10 the term of the contract upon determination that he has
11 fulfilled the provisions of the contract entitling him to such
12 payment. The rate or rates of the annual payment to be
13 provided for in the contracts shall be established on such
14 basis as the Secretary determines will provide producers
15 with a fair and reasonable annual return on the land estab-
16 lished in protective vegetative cover or water storage facili-
17 ties, or other soil-, water-, wildlife-, or forest-conserving uses,
18 taking into consideration the value of the land for the pro-
19 duction of commodities customarily grown on such kind of
20 land in the county or area, the prevailing rates for cash
21 rentals for similar land in the county or area, the incentive
22 necessary to obtain contracts covering sufficient acreage for
23 the substantial accomplishment of the purposes of the con-
24 servation reserve program, and such other factors as he

1 deems appropriate. Such rate or rates may be determined
2 on an individual farm basis, a county or area basis, or such
3 other basis as the Secretary determines will facilitate the
4 practical administration of the program.

5 (c) In determining the lands in any area to be covered
6 by contracts entered into under this section, the Secretary
7 may use advertising and bid procedure if he determines that
8 such action will contribute to the effective and equitable
9 administration of the conservation reserve program.

10 (d) A contract shall not be terminated under paragraph
11 (6) of subsection (a) unless the nature of the violation
12 is such as to defeat or substantially impair the purposes of
13 the contract. Whenever the State committee believes that
14 there has been a violation which would warrant termina-
15 tion of a contract, the producer shall be given written notice
16 thereof by registered mail or personal service, and the pro-
17 ducer shall, if he requests such an opportunity within thirty
18 days after the delivery or service of such notice, be given
19 an opportunity to show cause, in an informal proceeding
20 before the county committee under regulations promulgated
21 by the Secretary, why the contract should not be termi-
22 nated. If the producer does not request an opportunity
23 to show cause why the contract should not be terminated
24 within such thirty-day period, the determination of the State
25 committee made in accordance with regulations of the Sec-

1 retary shall be final and conclusive. If the producer within
2 such thirty-day period requests an opportunity to show cause
3 why the contract should not be terminated, the county com-
4 mittee, at the conclusion of the proceeding, shall submit a
5 report, including its recommendations, to the State commit-
6 tee for a determination, on the basis of such report and
7 such other information as is available to the State com-
8 mittee, as to whether there has been a violation which would
9 warrant termination of the contract. The producer shall be
10 accorded the right, in accordance with regulations promul-
11 gated by the Secretary, to appear before the State committee
12 in connection with the State committee's determination of
13 the issue. The producer shall be given written notice by
14 registered mail or personal service of the State committee's
15 determination. If the producer feels aggrieved by such de-
16 termination, he may obtain judicial review of such deter-
17 mination by filing a complaint with the United States dis-
18 trict court for the district in which the land covered by
19 the contract is located, within ninety days after the delivery
20 or service of notice of such determination, requesting the
21 court to set aside such determination. Service of process
22 in such action shall be made in accordance with the rule for
23 service of process upon the United States prescribed by the
24 Rules of Civil Procedure for the United States District
25 Courts. The copy of the summons and complaint required

1 to be delivered to the officer or agency whose order is being
2 attacked shall be sent to the chairman of the State com-
3 mittee. The action in the United States district court shall
4 be a trial de novo to determine whether there has been a
5 violation which would warrant termination of the contract.
6 If the producer does not seek judicial review of the State
7 committee's determination within the ninety-day period
8 allowed therefor, the State committee's determination shall
9 be final and conclusive. The terms "county committee" and
10 "State committee" as used herein refer to the county and
11 State committees established under section 8 of the Soil
12 Conservation and Domestic Allotment Act, as amended.

13 CONSERVATION RESERVE GOAL

14 SEC. 108. (a) The Secretary shall not later than Feb-
15 ruary 1 of each year determine and announce the national
16 conservation reserve goal for such year. Such goal shall
17 be that percentage which the Secretary determines it is
18 practicable to cover by contracts during such year of the
19 number of acres, if any, by which (1) the acreage used
20 for the production of agricultural commodities during the
21 year preceding the year for which such determination is
22 made, plus any acreage then in the acreage or conservation
23 reserve program or retired from production as a result of
24 acreage allotments or marketing quotas, exceeds (2) the
25 acreage needed during the year for which such determina-

tion is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carryover. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country.

AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

SEC. 109. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter

1 into contracts thereunder with producers during the five-
2 year period 1956-1960 to be carried out during the period
3 ending not later than December 31, 1969, except that
4 contracts for the establishment of tree cover may continue
5 until December 31, 1974.

6 (b) The period covered by any contract shall not
7 exceed ten years, except that contracts for the establishment
8 of tree cover may extend for fifteen years.

9 (c) In carrying out the conservation reserve program,
10 the Secretary shall not enter into contracts with producers
11 which would require payments to producers, including the
12 cost of materials and services, in excess of \$450,000,000
13 in any calendar year.

14 TERMINATION AND MODIFICATION OF CONTRACTS

15 SEC. 110. (a) The Secretary may terminate any con-
16 tract with a producer by mutual agreement with the pro-
17 ducer if the Secretary determines that such termination
18 would be in the public interest.

19 (b) The Secretary may agree to such modification of
20 contracts previously entered into as he may determine to
21 be desirable to carry out the purposes of this title and to
22 facilitate the practical administration of the conservation
23 reserve program.

24 CONSERVATION MATERIALS AND SERVICES

25 SEC. 111. (a) The Secretary may purchase or produce

1 conservation materials and services and make such materials
2 and services available to producers under the conservation
3 reserve program to aid them in establishing vegetative cover
4 or water storage facilities, or other soil-, water-, wildlife-, or
5 forest-conserving uses, under contracts authorized by this sub-
6 title B, may reimburse ~~(22)~~and any Federal, State, or local
7 government agency for conservation materials and services
8 furnished by such agency, and may pay expenses necessary in
9 making such materials, and services available, including all
10 or part of the costs incident to the delivery, application,
11 or installation of materials and services.

12 (b) Notwithstanding any other provision of law, in
13 making conservation materials and services available to pro-
14 ducers hereunder, the Secretary may make payments, in
15 advance of determination of performance by the producers,
16 to persons who fill purchase orders covering approved con-
17 servation materials or who render services to the Secretary
18 in furnishing to producers approved conservation materials
19 or services for the establishment by the producers of vegeta-
20 tive cover or water storage facilities, or other soil-, water-,
21 wildlife-, or forest-conserving uses, under contracts authorized
22 by this subtitle B. The price at which purchase orders for
23 any conservation material or service are filled may be limited,
24 if the Secretary determines that it is necessary in the interest

1 of producers and the Government, to a fair price fixed in
2 accordance with regulations prescribed by the Secretary.

3 EFFECT ON OTHER PROGRAMS

4 SEC. 112. Notwithstanding any other provision of law—

5 (1) insofar as the acreage of cropland on any farm
6 enters into the determination of acreage allotments and
7 marketing quotas under the Agricultural Adjustment
8 Act of 1938, as amended, the cropland acreage on the
9 farm shall not be deemed to be decreased during the
10 period of any contract entered into under the conserva-
11 tion reserve program by reason of the establishment and
12 maintenance of vegetative cover or water storage facili-
13 ties, or other soil-, water-, wildlife-, or forest-conserving
14 uses, under such contract; and

15 (2) the acreage on any farm which is determined
16 under regulations of the Secretary to have been diverted
17 from the production of any commodity in order to carry
18 out the contract entered into under the conservation
19 reserve program shall be considered acreage devoted
20 to the commodity for the purposes of establishing future
21 State, county, and farm acreage allotments under the
22 Agricultural Adjustment Act of 1938, as amended, and
23 base acreages under this Act.

24 GEOGRAPHICAL APPLICABILITY

25 SEC. 113. This subtitle B shall apply to the continental

1 United States, and, if the Secretary determines it to be in
 2 the national interest, to one or more of the Territories of
 3 Alaska and Hawaii, the Commonwealth of Puerto Rico,
 4 and the Virgin Islands, and as used in this subtitle B, the
 5 term "State" includes Alaska, Hawaii, Puerto Rico, and the
 6 Virgin Islands.

7 SUBTITLE C—GENERAL PROVISIONS

8 COMPLIANCE WITH ACREAGE ALLOTMENTS

9 SEC. 114. No person shall be eligible for payments or
 10 compensation under this title with respect to any farm for
 11 any year in which (1) the acreage of any basic agricultural
 12 commodity other than wheat or corn on the farm exceeds the
 13 farm acreage allotment for the commodity under title III of
 14 the Agricultural Adjustment Act of 1938, as amended, or
 15 (2) the wheat acreage on the farm exceeds the larger of the
 16 farm wheat acreage allotment under such title or fifteen
 17 acres, or (3) the corn acreage on the farm, in the case of a
 18 farm in the commercial corn-producing area, exceeds the
 19 farm base acreage for corn or the farm acreage allotment,
 20 whichever is in effect(23), or ~~(4) the acreage planted to feed~~
 21 ~~grains on the farm exceeds the farm base acreage for feed~~
 22 ~~grains, except that such requirement for compliance with the~~
 23 ~~farm base acreage for feed grains shall not apply for 1956.~~
 24 For the purpose of this section, a producer shall not be

1 deemed to have exceeded his farm acreage allotment or farm
2 base acreage, unless such producer knowingly exceeded such
3 allotment or base acreage and, in the case of wheat, unless
4 such producer knowingly exceeded the farm acreage allot-
5 ment or fifteen acres, whichever is larger.

6 REAPPORTIONMENT PROHIBITED

7 SEC. 115. No acreage diverted from the production of
8 any commodity subject to acreage allotments as a result of
9 participation in the acreage reserve or conservation reserve
10 programs shall be reapportioned or allotted to any other
11 farm.

12 CERTIFICATE OF CLAIMANT

13 SEC. 116. Subject to the provisions of section 105 (b),
14 payment or compensation authorized by this title may be
15 made upon the certificate of the claimant, in such form as
16 the Secretary may prescribe, that he has complied with
17 all requirements for such payment and that the statements
18 and information contained in the application for payment are
19 correct and true, to the best of his knowledge and belief.

20 UTILIZATION OF LOCAL AND STATE COMMITTEES

21 SEC. 117. In administering this title in the continental
22 United States, the Secretary shall utilize the services of
23 local, county, and State committees established under section
24 8 of the Soil Conservation and Domestic Allotment Act, as
25 amended.

UTILIZATION OF OTHER AGENCIES

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

UTILIZATION OF LAND USE CAPABILITY DATA

SEC. 119. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

FINANCING

SEC. 120. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of adminis-

1 tration for the programs authorized under this title: *Provided*,
2 That the Secretary shall, prior to February 1, 1957, or such
3 earlier date as may be practicable, submit to the Congress
4 a full program of all operations under this title which will
5 require the making of expenditures during the fiscal year
6 ending June 30, 1958; and, after June 30, 1957, the
7 Commodity Credit Corporation shall not make any expendi-
8 tures for carrying out the purposes of this title unless the
9 Corporation has received funds to cover such expenditures
10 from appropriations made to carry out the purposes of this
11 title. There are hereby authorized to be appropriated such
12 sums as may be necessary to carry out the purposes of this
13 title, including such amounts as may be required to make
14 payments to the Corporation for its actual costs incurred
15 or to be incurred under this section.

16 (b) All funds available for carrying out the purposes
17 of this title shall be available for transfer to such agencies of
18 the Federal or State governments as the Secretary may re-
19 quest to cooperate or assist in carrying out this title; and for
20 technical assistance in formulating and carrying out the pro-
21 grams authorized by this title. The Secretary may make
22 such payments in advance of determination of performance.

23 FINALITY OF DETERMINATIONS

24 SEC. 121. The facts constituting the basis for any pay-
25 ment or compensation, or the amount thereof, authorized

1 to be made under this title, when officially determined in
2 conformity with applicable regulations prescribed by the
3 Secretary, shall be final and conclusive and shall not be
4 reviewable by any other officer or agency of the Government.
5 In case any producer who is entitled to any payment or
6 compensation dies, becomes incompetent, or disappears before
7 receiving such payment or compensation, or is succeeded by
8 another who renders or completes the required performance,
9 the payment or compensation shall, without regard to any
10 other provisions of law, be made as the Secretary may deter-
11 mine to be fair and reasonable in all the circumstances and
12 so provide by regulations.

13 PROTECTION OF TENANTS AND SHARECROPPERS

14 SEC. 122. In the formulation and administration of pro-
15 grams under this title, the Secretary shall provide adequate
16 safeguards to protect the interests of tenants and sharecrop-
17 pers, including provision for sharing, on a fair and equitable
18 basis, in payments or compensation under this title, and in-
19 cluding such provision as may be necessary to prevent them
20 from being forced off the farm. Applications to participate
21 in any such program shall specify the basis on which the
22 landlord, tenants, and sharecroppers are to share in such
23 payments or compensation, and no contract under any such
24 program shall be entered into unless such basis is approved
25 by the county committee and incorporated into the contract.

1 The standards prescribed by the Secretary for the guidance
 2 of county committees in determining whether any such basis
 3 shall be approved shall include the requirement that consid-
 4 eration be given to the respective contributions which would
 5 have been made by the landlord, tenants, and sharecroppers
 6 in the production of the crops which would have been pro-
 7 duced on the acreage diverted from production under the
 8 contract and the basis on which they would have shared in
 9 such crops or the proceeds thereof.

10 PENALTY FOR GRAZING OR HARVESTING

11 SEC. 123. Any producer who knowingly and willfully
 12 grazes or harvests any crop from any acreage in violation
 13 of a contract entered into under section 103 or 107 shall
 14 be subject to a civil penalty equal to 50 per centum of
 15 the compensation payable for compliance with such con-
 16 tract for the year in which the violation occurs. Such
 17 penalty shall be in addition to any amounts required to
 18 be forfeited or refunded under the provisions of such con-
 19 tract, and shall be recoverable in a civil suit brought in
 20 the name of the United States.

21 REGULATIONS

22 SEC. 124. The Secretary shall prescribe such regula-
 23 tions as he determines necessary to carry out the provisions
 24 of this title.

1 PRODUCTION ON GOVERNMENT LANDS PROHIBITED

2 SEC. 125. The President shall, with respect to farm-
 3 lands now or hereafter owned by the Federal Government,
 4 restrict insofar as practicable the leasing of such lands for
 5 the production of (24)agricultural commodities price sup-
 6 ported crops in surplus supply. (25)Nothing contained in
 7 this section shall prevent the production of such crops on
 8 national wildlife refuges under cooperative permits where such
 9 production is necessary to maintain satisfactory wildlife popu-
 10 lations, especially of waterfowl for beneficial use.

11 POOLING OF CONSERVATION RESERVE LAND

12 SEC. 126. Whenever management of family farms or
 13 optimum land use will be aided, the Secretary of Agriculture
 14 is authorized to permit farmers to pool their rights to par-
 15 ticipate jointly in the conservation reserve program on prop-
 16 erty other than their home farms.

17 TITLE II—SURPLUS DISPOSAL

18 PROGRAM OF ORDERLY LIQUIDATION

19 SEC. 201. (a) The Commodity Credit Corporation shall,
 20 as rapidly as possible consistent with its existing authority,
 21 the operation of the price support program, and orderly
 22 liquidation, dispose of all stocks of agricultural commodities
 23 held by it.

24 (b) The Secretary shall submit to Congress within
 25 ninety days after the enactment of this Act detailed pro-

grams, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

(1) the quantities of surplus commodities on hand;

(2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;

(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;

(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing

1 and utilization research and improvement of marketing
2 facilities; and

3 (5) recommendations for additional legislation nec-
4 essary to accomplish the purposes of this section.

5 EXTRA-LONG STAPLE COTTON

6 SEC. 202. (a) Hereafter the quota for cotton having a
7 staple length of one and one-eighth inches or more, estab-
8 lished September 20, 1939, pursuant to section 22 of the
9 Agricultural Adjustment Act of 1933, as amended, shall
10 apply to the same grades and staple lengths included in the
11 quota when such quota was initially established. Such quota
12 shall provide for cotton having a staple length of one and
13 eleven-sixteenths inches and longer, and shall establish dates
14 for the quota year which will recognize and permit entry
15 to conform to normal marketing practices and requirements
16 for such cotton.

17 (b) Beginning not later than August 1, 1956, the Com-
18 modity Credit Corporation is directed to sell for export at
19 competitive world prices its stocks of domestically pro-
20 duced extra long staple cotton on hand on the date of
21 enactment of this Act. The amount offered and the price
22 accepted by the Commodity Credit Corporation shall be such
23 as to dispose of such quantity in an orderly manner and
24 within a reasonable period of time.

1 (26)EXPORT SALES PROGRAM FOR COTTON

2 SEC. 203. *In furtherance of the current policy of the*
3 *Commodity Credit Corporation of offering surplus agricul-*
4 *tural commodities for sale for export at competitive world*
5 *prices, the Commodity Credit Corporation is directed to use*
6 *its existing powers and authorities immediately upon the en-*
7 *actment of this Act to encourage the export of cotton by offer-*
8 *ing to make cotton available at prices not in excess of the*
9 *level of prices at which cottons of comparable qualities are*
10 *being offered in substantial quantity by other exporting coun-*
11 *tries and, in any event, for the cotton marketing year be-*
12 *ginning August 1, 1956, at prices not in excess of the mini-*
13 *mum prices (plus carrying charges, beginning October 1,*
14 *1956, as established pursuant to Section 407 of the Agri-*
15 *cultural Act of 1949) at which cottons of comparable qual-*
16 *ities were sold under the export program announced by the*
17 *United States Department of Agriculture on August 12,*
18 *1955. The Commodity Credit Corporation may accept bids*
19 *in excess of the maximum prices specified herein but shall not*
20 *reject bids at such maximum prices unless a higher bid is*
21 *received for the same cotton. Cottons of qualities not com-*
22 *parable to those of cottons sold under the program announced*
23 *on August 12, 1955, shall be offered at prices not in excess of*
24 *the maximum prices prescribed hereunder for cottons of qual-*
25 *ities comparable to those of cottons sold under such program,*

1 *with appropriate adjustment for differences in quality. Such*
 2 *quantities of cotton shall be sold as will reestablish and*
 3 *maintain the fair historical share of the world market for*
 4 *United States cotton, said volume to be determined by the*
 5 *Secretary of Agriculture.*

6 AGREEMENTS LIMITING IMPORTS

7 SEC. (27)~~203~~ 204. The President may, whenever he deter-
 8 mines such action appropriate, negotiate with representatives
 9 of foreign governments in an effort to obtain agreements lim-
 10 iting the export from such countries and the importation into
 11 the United States of any agricultural commodity or product
 12 manufactured therefrom or textiles or textile products, and
 13 the President is authorized to issue regulations governing
 14 the entry or withdrawal from warehouse of any such com-
 15 modity, product, textiles, or textile products to carry out
 16 any such agreement. Nothing herein shall affect the author-
 17 ity provided under section 22 of the Agricultural Adjustment
 18 Act (of 1933) as amended.

19 APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

20 SEC. (28)~~204~~ 205. There is hereby authorized to be appro-
 21 priated for each fiscal year, beginning with the fiscal year ending
 22 June 30, 1957, the sum of \$500,000,000 to enable the Secre-
 23 tary of Agriculture to further carry out the provisions of
 24 section 32, Public Law 320, Seventy-fourth Congress, as
 25 amended (7 U. S. C. 612c), subject to all provisions of law

1 relating to the expenditure of funds appropriated by such
 2 section, except that up to 50 per centum of such \$500,000,-
 3 000 may be devoted during any fiscal year to any one agri-
 4 tural commodity or the products thereof.

5 TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL
 6 STOCKPILE

7 SEC. ~~(26)~~ 205 206. (a) Strategic and other materials
 8 acquired by the Commodity Credit Corporation as a result of
 9 barter or exchange of agricultural commodities or products,
 10 unless acquired for the national stockpile established pursuant
 11 to the Strategic and Critical Materials Stock Piling Act (50
 12 U. S. C. 98-98h), or for other purposes shall be transferred
 13 to the supplemental stockpile established by section 104 (b)
 14 of the Agricultural Trade Development and Assistance Act
 15 of 1954 (7 U. S. C. 1704).

16 (b) Strategic materials acquired by the Commodity
 17 Credit Corporation as a result of barter or exchange of
 18 agricultural commodities or products may be entered, or
 19 withdrawn from warehouse, free of duty.

20 (c) In order to reimburse the Commodity Credit Cor-
 21 poration for materials transferred to the supplemental stock-
 22 pile there are hereby authorized to be appropriated amounts
 23 equal to the value of any materials so transferred. The value
 24 of any such material for the purpose of this subsection, shall
 25 be the lower of the domestic market price or the Commodity

1 Credit Corporation's investment therein as of the date of
2 such transfer, as determined by the Secretary of Agriculture.

3 SURPLUS DISPOSAL ADMINISTRATOR

4 SEC. ~~(30)~~206 207. The Secretary of Agriculture is auth-
5 orized to appoint an agricultural surplus disposal administra-
6 tor, at a salary rate of not exceeding \$15,000 per annum,
7 whose duties shall include such responsibility for activities of
8 the Department, including those of the Commodity Credit
9 Corporation, relating to the disposal of surplus agricultural
10 commodities as the Secretary may direct.

11 PAYMENT OF OCEAN FREIGHT

12 SEC. ~~(31)~~207 208. The Agricultural Trade Develop-
13 ment and Assistance Act of 1954, as amended, is amended
14 as follows:

15 (a) The first sentence of section 103 (a) is amended
16 by striking out the word "and" following the words "han-
17 dling costs," and by inserting immediately before the period
18 the following: "and, (3) all Commodity Credit Corporation
19 funds expended for ocean freight costs authorized under title
20 II hereof for purposes of section 416 of the Agricultural Act
21 of 1949, as amended".

22 (b) Section 201 is amended by striking out "f. o. b.
23 vessels in United States ports,".

24 (c) The first sentence of section 203 is amended to
25 read as follows: "Not more than \$500,000,000 (including

1 the Corporation's investment in such commodities) shall be
 2 expended for all such transfers and for other costs authorized
 3 by this title." Section 203 is further amended by adding
 4 at the end of the section the following: "Such transfers may
 5 include delivery f. o. b. vessels in United States ports and,
 6 upon a determination by the President that it is necessary
 7 to accomplish the purposes of this title or of section 416
 8 of the Agricultural Act of 1949, as amended, ocean freight
 9 charges from United States ports to designated ports of
 10 entry abroad may be paid from funds available to carry
 11 out this title on commodities transferred pursuant hereto
 12 or donated under said section 416. Funds required for ocean
 13 freight costs authorized under this title may be transferred
 14 by the Commodity Credit Corporation to such other Federal
 15 agency as may be designated by the President."

16 COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR
 17 INCREASED INDUSTRIAL USE OF AGRICULTURAL
 18 PRODUCTS

19 SEC. ~~(32)~~208 209. (a) (1) There is hereby established
 20 a bipartisan Commission on Increased Industrial Use of
 21 Agricultural Products (hereafter referred to as "the Commis-
 22 sion"). The Commission shall be composed of five members,
 23 of whom not more than three shall be members of the same
 24 political party, to be appointed by the President by and with
 25 the advice and consent of the Senate. In making such ap-

1 pointments the President shall give due consideration to the
2 interests of various segments of agriculture. One of the
3 members so appointed shall be designated as Chairman by
4 the President.

5 (2) Members of the Commission shall be paid compen-
6 sation at the rate of \$50 per day and shall be reimbursed
7 for necessary traveling and other expenses incurred by them
8 in the performance of their duties as member of the Com-
9 mission.

10 (3) The Commission is authorized to appoint and fix
11 the compensation, without regard to the civil-service laws
12 and the Classification Act of 1949, as amended, of an execu-
13 tive director and such chemists, engineers, agriculturists,
14 attorneys, and other assistants as it may deem necessary.
15 The Secretary of Agriculture is authorized to provide the
16 Commission with necessary office space, and may detail,
17 on a reimbursable basis, any personnel of the Department of
18 Agriculture to assist the Commission in carrying out its work.

19 (4) Upon request of the Commission, any other de-
20 partment or agency of the Government having information
21 or data needed by the Commission in carrying out its duties
22 under this section, shall make such information or data
23 available to the Commission for such purposes. The Com-
24 mission shall take such steps as may be necessary to pro-

1 tect against unauthorized disclosure any such information or
2 data which may be classified for security purposes.

3 (5) Service of an individual as a member of the Com-
4 mission or employment of an individual by the Commission
5 in a technical or professional field, on a part-time or full-time
6 basis, shall not be considered as service or employment
7 bringing such individual within the provisions of section
8 281, 283, 284, 434 or 1914 of title 18 of the United States
9 Code, or section 190 of the Revised Statutes (5 U. S. C. 99) .

10 (b) It shall be the duty of the Commission to prepare
11 and present to the Congress, not later than June 15, 1957,
12 the necessary recommendations which in its opinion will
13 bring about the greatest practical use for industrial purposes
14 of agricultural products not needed for human or animal
15 consumption, including, but not limited to, use in the manu-
16 facture of rubber, industrial alcohol, motor fuels, plastics, and
17 other products.

18 (c) There is hereby authorized to be appropriated such
19 sum, not to exceed \$150,000, as may be necessary to enable
20 the Commission to carry out its functions.

21 (d) Upon submission of the recommendations referred
22 to in subsection (b) , the Commission shall cease to exist.

23 DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

24 SEC. (33) 209 210. Notwithstanding any other limitations
25 as to the disposal of surplus commodities acquired through

1 price support operations, the Commodity Credit Corporation
2 is authorized on such terms and under such regulations as
3 the Secretary of Agriculture may deem in the public interest,
4 and upon application, to donate food commodities acquired
5 through price support operations to Federal penal and
6 correctional institutions, and to State correctional institu-
7 tions for minors, other than those in which food service
8 is provided for inmates on a fee, contract, or concession
9 basis.

10 FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL
11 PROJECTS

12 SEC. (34)249 211. (a) For a period of three years from
13 the date of enactment of this Act, no agricultural commodity
14 determined by the Secretary of Agriculture in accordance
15 with subsection (c) to be in surplus supply shall receive
16 any crop loans or Federal farm payments or benefits if grown
17 on any newly irrigated or drained lands within any Federal
18 irrigation or drainage project hereafter authorized unless
19 such lands were used for the production of such commodity
20 prior to the enactment of this Act.

21 (b) The Secretary of the Interior and the Secretary of
22 Agriculture shall cause to be included, in all irrigation,
23 drainage, or flood-control contracts entered into with respect
24 to Federal irrigation, drainage, or flood-control projects
25 hereafter authorized, such provisions as they may deem

1 necessary to provide for the enforcement of the provisions
2 of this section. For a period of three years from the date
3 of enactment of this Act surplus crops grown on lands re-
4 claimed by flood-control projects hereafter authorized and
5 the lands so reclaimed shall be ineligible for any benefits
6 under the soil-bank provisions of this Act and under price
7 support legislation.

8 (c) On or before October 1 of each year, the Secretary
9 of Agriculture shall determine and proclaim the agricultural
10 commodities the supplies of which are in excess of estimated
11 requirements for domestic consumption and export plus
12 adequate reserves for emergencies. The commodities so
13 proclaimed shall be considered to be in surplus supply for
14 the purposes of this section during the succeeding crop year.

15 (d) For the purposes of this section the term "Federal
16 irrigation or drainage project" means any irrigation or drain-
17 age project subject to the Federal reclamation laws (Act of
18 June 17, 1902, 32 Stat. 388, and Acts amendatory thereof
19 or supplementary thereto) in effect at the date of the adoption
20 of this amendment and any irrigation or drainage project
21 subject to the laws relating to irrigation and drainage ad-
22 ministered by the Department of Agriculture or the Secre-
23 tary of Agriculture.

24 PROCESSING OF DONATED FOOD COMMODITIES

25 SEC. (35) ~~211~~ 212. Section 416 of the Agricultural Act

1 of 1949, as amended, is amended by inserting before the last
 2 sentence thereof a new sentence as follows: "In addition, in
 3 the case of food commodities disposed of under this section,
 4 the Commodity Credit Corporation may pay the cost of
 5 processing such commodities into a form suitable for home
 6 or institutional use, such processing to be accomplished
 7 through private trade facilities to the greatest extent
 8 possible."

9 (36) SALE OF WHEAT FOR FEED

10 SEC. 213. Section 407 of the Agricultural Act of 1949,
 11 as amended, is amended by adding at the end thereof, the
 12 following: "Notwithstanding the foregoing restrictions, the
 13 Corporation may sell annually not to exceed one hundred
 14 million bushels of less desirable milling quality wheat for
 15 feeding purposes: Provided, That in establishing the sales
 16 price of such wheat due consideration shall be given to the
 17 feeding value of wheat and to the effect that such sales of
 18 wheat will have on the price of feed grains."

19 TITLE III—MARKETING QUOTAS AND ACREAGE

20 ALLOTMENTS

21 EXTENSION OF SURRENDER AND REAPPORTIONMENT PRO-

22 VISIONS FOR WHEAT ACREAGE ALLOTMENTS

23 SEC. 301. Section 334 (f) of the Agricultural Adjust-
 24 ment Act of 1938, as amended, is amended by striking out

1 “1955” wherever it appears in such subsection and inserting
2 in lieu thereof “1955, 1956, or 1957”.

3 ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

4 SEC. 302. Section 342 of the Agricultural Adjustment
5 Act of 1938, as amended, is hereby amended by
6 adding at the end thereof the following: “Notwith-
7 standing the foregoing provisions of this section, the
8 national marketing quota for cotton for 1957 and
9 1958 shall be not less than the number of bales required to
10 provide a national acreage allotment for 1957 and 1958
11 equal to the national acreage allotment for 1956 (37): *Pro-*
12 *vided, That if the acreage allotment for any State for 1957*
13 *or 1958 is less than its allotment for the preceding year by*
14 *more than 1 per centum, such State allotment shall be in-*
15 *creased so that the reduction shall not exceed 1 per centum*
16 *per annum, and the acreage required for such increase shall*
17 *be in addition to the national acreage allotment for such year.*
18 *Additional acreage apportioned to a State for 1957 or 1958*
19 *under the foregoing proviso shall not be taken into account*
20 *in establishing future State allotments.”*

21 COTTON—SMALL FARM ALLOTMENTS

22 SEC. 303. (a) Section 344 (b) of the Agricultural Ad-
23 justment Act of 1938, as amended, is amended by inserting
24 before the period at the end thereof a colon and the following:
25 “*Provided, That there is hereby established a national acre-*

1 age reserve consisting of one hundred thousand acres which
2 shall be in addition to the national acreage allotment; and
3 such reserve shall be apportioned to the States on the basis of
4 their needs for additional acreage for establishing minimum
5 farm allotments under subsection (f) (1), as determined by
6 the Secretary without regard to State and county acreage re-
7 serves (except that the amount apportioned to Nevada shall
8 be one thousand acres), and the additional acreage so appor-
9 tioned to the State shall be apportioned to the counties on the
10 same basis and added to the county acreage allotment for
11 apportionment to farms pursuant to subsection (f) of this
12 section (except that no part of such additional acreage shall
13 be used to increase the county reserve above 15 per centum
14 of the county allotment determined without regard to such ad-
15 ditional acreage). Additional acreage apportioned to a State
16 for any year under the foregoing proviso shall not be taken
17 into account in establishing future State acreage allotments.
18 Needs for additional acreage under the foregoing proviso and
19 under the last proviso in subsection (e) shall be determined
20 as though allotments were first computed without regard to
21 subsection (f) (1)."

22 (b) Section 344 (e) of the Agricultural Adjustment
23 Act of 1938, as amended, is amended by inserting before the
24 period at the end thereof a colon and the following: "*Pro-*
25 *vided further*, That if the additional acreage allocated to a

1 State under the proviso in subsection (b) is less than the
2 requirements as determined by the Secretary for establishing
3 minimum farm allotments for the State under subsection (f)
4 (1), the acreage reserved by the State committee under this
5 subsection shall not be less than the smaller of (1) the
6 remaining acreage so determined to be required for establish-
7 ing minimum farm allotments or (2) 3 per centum of the
8 State acreage allotment; and the acreage which the State
9 committee is required to reserve under this proviso shall be
10 allocated to counties on the basis of their needs for additional
11 acreage for establishing minimum farm allotments under sub-
12 section (f) (1), and added to the county acreage allotment
13 for apportionment to farms pursuant to subsection (f) of this
14 section (except that no part of such additional acreage shall
15 be used to increase the county reserve above 15 per centum
16 of the county allotment determined without regard to such
17 additional acreages).”

18 (c) Section 344 (f) of the Agricultural Adjustment Act
19 of 1938, as amended, is amended by changing paragraph (1)
20 to read as follows:

21 “(1) Insofar as such acreage is available, there shall be
22 allotted the smaller of the following: (A) four acres; or (B)
23 the highest number of acres planted to cotton in any year of
24 such three-year period.”

25 (d) The first sentence of section 344 (f) (6) of such

1 Act is amended to read as follows: "Notwithstanding the
2 provisions of paragraph (2) of this subsection, if the county
3 committee recommends such action and the Secretary de-
4 termines that such action will result in a more equitable dis-
5 tribution of the county allotment among farms in the county,
6 the remainder of the county acreage allotment (after making
7 allotments as provided in paragraph (1) of this subsection)
8 shall be allotted to farms other than farms to which an allot-
9 ment has been made under paragraph (1) (B) of this sub-
10 section so that the allotment to each farm under this para-
11 graph together with the amount of the allotment of such farm
12 under paragraph (1) (A) of this subsection shall be a pre-
13 scribed ~~(38)percentages~~ *percentage* (which percentage shall
14 be the same for all such farms in the county) of the average
15 acreage planted to cotton on the farm during the three years
16 immediately preceding the year for which such allotment is
17 determined, adjusted as may be necessary for abnormal condi-
18 tions affecting plantings during such three-year period: *Pro-*
19 *vided*, That the county committee may in its discretion limit
20 any farm acreage allotment established under the provisions
21 of this paragraph for any year to an acreage not in excess
22 of 50 per centum of the cropland on the farm, as determined
23 pursuant to the provisions of paragraph (2) of this subsec-
24 tion: *Provided further*, That any part of the county acreage
25 allotment not apportioned under this paragraph by reason

1 of the initial application of such 50 per centum limitation
 2 shall be added to the county acreage reserve under para-
 3 graph (3) of this subsection and shall be available for the
 4 purposes specified therein.”

5 (e) The amendments made by this section shall be
 6 effective only with respect to 1957 and 1958 crops. For the
 7 1956 crop, an acreage in each State equal to the acreage
 8 allotted in such State which the Secretary determines will
 9 not be planted, placed in the acreage reserve or conservation
 10 reserve, or considered as planted under section 377 of the
 11 Agricultural Adjustment Act of 1938, as amended, may be
 12 apportioned by the Secretary among farms in such State
 13 having allotments of less than the smaller of the following:
 14 (1) four acres, or (2) the highest number of acres planted
 15 to cotton in any of the years 1953, 1954, and 1955.

16 MINIMUM ~~(39)~~STATE ACREAGE ALLOTMENTS FOR
 17 ~~(40)~~1956 RICE ~~(41)~~CROP

18 ~~(42)~~SEC. 304. Section 353 of the Agricultural Adjustment
 19 Act of 1938, as amended, is amended by adding to subsection
 20 ~~(e)~~ a new paragraph ~~(5)~~ to read as follows:

21 *SEC. 304. Section 353 (c) of the Agricultural Adjust-*
 22 *ment Act of 1938, as amended, is amended by adding at the*
 23 *end thereof the following:*

24 “(5) Each of the State acreage allotments for 1956
 25 heretofore proclaimed by the Secretary, after adding thereto

1 any acreage apportioned to farms in the State from the
 2 reserve acreage set aside pursuant to subsection (a) of this
 3 section, shall be increased by such amount as may be neces-
 4 sary to provide such State with an allotment of not less
 5 than 85 per centum of its final allotment established for 1955.
 6 Any additional acreage required to provide such minimum
 7 allotment shall be additional to the national acreage allot-
 8 ment. In any State having county acreage allotments for
 9 1956, the increase in the State allotment shall be apportioned
 10 among counties in the State on the same basis as the State
 11 allotment was heretofore apportioned among the counties,
 12 but without regard to adjustments for trends in ~~acreage.~~
 13 *acreage.*

14 (44)“(6) *The national acreage allotments of rice for 1957*
 15 *and 1958 shall be not less than the national acreage allotment*
 16 *for 1956, including any acreage allotted under paragraph*
 17 *(5) of this subsection, and such national allotments for 1957*
 18 *and 1958 shall be apportioned among the States in the same*
 19 *proportion that they shared in the total acreage allotted in*
 20 *1956.”*

21 INCREASE IN PEANUT MARKETING PENALTIES

22 SEC. 305. Effective beginning with the 1956 crop, sec-
 23 tion 359 (a) of the Agricultural Adjustment Act of 1938,
 24 as amended, is amended by amending the first sentence
 25 thereof to read as follows: “The marketing of any peanuts

1 in excess of the marketing quota for the farm on which
2 such peanuts are produced, or the marketing of peanuts
3 from any farm for which no acreage allotment was deter-
4 mined, shall be subject to a penalty at a rate equal to 75
5 per centum of the support price for peanuts for the market-
6 ing year (August 1-July 31)."

7 COLLECTION OF PEANUT MARKETING PENALTIES

8 SEC. 306. Section 359 of the Agricultural Adjustment
9 Act of 1938, as amended, is amended by adding two new
10 subsections as follows:

11 “(d) The person liable for payment or collection of
12 the penalty provided by this section shall be liable also
13 for interest thereon at the rate of 6 per centum per annum
14 from the date the penalty becomes due until the date of
15 payment of such penalty.

16 “(e) Until the amount of the penalty provided by this
17 section is paid, a lien on the crop of peanuts with respect
18 to which such penalty is incurred, and on any subsequent
19 crop of peanuts subject to marketing quotas in which the
20 person liable for payment of the penalty has an interest
21 shall be in effect in favor of the United States.”

22 PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

23 SEC. 307. The Agricultural Adjustment Act of 1938,
24 as amended, is amended by inserting after section 376 a new
25 section as follows:

1 "PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

2 "SEC. 377. In any case in which, during any year
3 within the period 1956 to 1959, inclusive, for which acre-
4 age planted to such commodity on any farm is less than
5 the acreage allotment for such farm, the entire acreage
6 allotment for such farm shall be considered for purposes of
7 future (45) *State, county, and* farm acreage allotments to have
8 been planted to such commodity in such year, but only if the
9 owner or operator of such farm notifies the county committee
10 prior to the sixtieth day preceding the beginning of the
11 marketing year for such commodity of his desire to preserve
12 such allotment. This section shall not be applicable in any
13 case in which the amount of the commodity required to be
14 stored to postpone or avoid payment of penalty has been
15 reduced because the allotment was not fully planted.
16 Nothing herein shall be construed to permit the allotment
17 to any other farm of the acreage with respect to which
18 notice is given under this section."

19 ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN
20 AND OTHER FEED GRAINS

21 SEC. 308. (a) Notwithstanding any other provision of
22 law, whenever base acreages are in effect for corn, the Sec-
23 retary shall require, as a condition of eligibility for price
24 support on corn, that the producer (1) devote an acreage
25 of cropland (tilled in normal rotation), at the option of the

1 producer, to either the acreage reserve program for corn
2 (46)(if such program is in effect) or the conservation reserve
3 program, equal to 15 per centum of such producer's farm
4 base acreage for corn, and (2) not exceed such farm base
5 acreage for corn: *Provided*, That price support may be
6 made available to any producer who does not meet the
7 foregoing requirements at such level, not in excess of the
8 level of price support to producers who meet such require-
9 ments, as the Secretary determines will facilitate the
10 effective operation of the price support program. Corn
11 acreage allotments shall not be effective for the 1956 crop.

12 (b) Not later than December 15, 1956, the Secretary
13 shall conduct a referendum of producers of corn in 1956 in
14 the commercial corn-producing area to determine whether
15 such producers favor a price-support program as provided
16 in subsection (c) of this section for the 1957 and subse-
17 quent crops in lieu of acreage allotments as provided in the
18 Agricultural Adjustment Act of 1938, as amended, and price
19 support as provided in section 101 of the Agricultural Act of
20 1949, as amended.

21 (c) Notwithstanding any other provision of law, if two-
22 thirds or more of the producers voting in the referendum con-
23 ducted pursuant to subsection (b) hereof favor a price-sup-
24 port program as provided in this subsection (c), no acreage
25 allotment of corn shall be established for the commercial corn-

1 producing area for any county, or for any farm, with respect
2 to the 1957 and subsequent crops, and price support made
3 available for such crops by Commodity Credit Corporation
4 shall be at such level as the Secretary determines will assist
5 producers in marketing corn in the normal channels of trade
6 but not encourage the uneconomic production of corn.

7 (47)(d) Notwithstanding any other provision of law, for each
8 of the years 1956 and 1957 in which an acreage reserve pro-
9 gram will be in effect for corn, the level of price support for
10 corn produced outside the commercial corn-producing area
11 shall be $82\frac{1}{2}$ per centum of the level of price support for
12 corn produced in the commercial corn-producing area, and
13 the level of price support for each of the commodities, grain
14 sorghums, barley, rye, and oats, shall be a percentage of the
15 parity price for each such commodity which is 5 percentage
16 points less than the percentage of the parity price announced
17 in advance of the planting season pursuant to section 406 of
18 the Agricultural Act of 1949, as amended, as the level of
19 price support for corn in the commercial corn-producing
20 area. The Secretary shall require as a condition of eligibility
21 for such price support of such feed grains (corn produced
22 outside the commercial corn-producing area, grain sorghums,
23 barley, rye, and oats) that the producer (1) except in the
24 case of new feed grain farms, devote an acreage on the farm
25 to either the acreage reserve program for feed grains or the

1 conservation reserve program equal to 15 per centum of the
2 farm base acreage established for such feed grains under
3 section 103 (c) hereof, and (2) not plant a total acreage
4 of such feed grains on the farm in excess of 85 per centum
5 of such farm base acreage for feed grains. The acreage re-
6 quired to be devoted to either the acreage reserve program
7 for feed grains or the conservation reserve program as a
8 condition of eligibility for price support for such feed grains
9 shall be in addition to any acreage required to be devoted
10 to either the acreage reserve program for corn or the con-
11 servation reserve program as a condition of eligibility for
12 price support for corn produced in the commercial corn-
13 producing area. Notwithstanding any other provision here-
14 of, the Commodity Credit Corporation shall make available
15 price support for the 1956 crop of grain sorghums, barley,
16 rye, and oats at the levels announced prior to the enact-
17 ment of this subsection, and for the 1956 crop of corn
18 produced outside the commercial corn-producing area at 75
19 per centum of the level for corn produced in the commercial
20 corn-producing area, to any producer who meets the re-
21 quirements of eligibility therefor but who does not meet the
22 additional requirements for price support prescribed by this
23 subsection.

24 (d) Notwithstanding any other provision of law, (1) the
25 level of price support for the 1956 crop of grain sorghums,

1 barley, rye, and oats, respectively, shall be 76 per centum
2 of the parity price for the commodity as of April 15, 1956,
3 (2) the level of price support for corn produced outside the
4 commercial corn-producing area, for any crop for which
5 base acreages are in effect (except as provided in (3) below),
6 shall be $82\frac{1}{2}$ per centum of the level of price support for
7 corn in the commercial corn-producing area to producers com-
8 plying with acreage limitations, and (3) if price support
9 is made available for the 1957 crop of corn in the com-
10 mercial corn-producing area to producers not complying with
11 acreage limitations, price support shall be made available for
12 the 1957 crop of grain sorghums, barley, rye, oats, and corn
13 produced outside the commercial corn-producing area, re-
14 spectively, at a level, not less than 70 per centum of the parity
15 price as of the beginning of the marketing year, determined
16 by the Secretary to be fair and reasonable in relation to the
17 level at which price support is made available for corn in
18 the commercial corn-producing area to producers not com-
19 plying with acreage limitations, taking into consideration
20 the normal price relationships between such commodity and
21 corn in the commercial area, the feed value of such com-
22 modity in relation to corn, the supply of such commodity in
23 relation to the demand therefor, and the ability to dispose of
24 stocks of such commodity acquired through price support
25 programs.

1 (48) WHEAT USED ON FARM WHERE PRODUCED

2 SEC. 309. Section 335 of the Agricultural Adjustment
3 Act of 1938, as amended, is further amended by adding a
4 new subsection (f) after subsection (e) to read as follows:

5 “(f) The Secretary, upon application made pursuant
6 to regulations prescribed by him, shall exempt producers
7 from any obligation under this Act to pay the penalty on,
8 deliver to the Secretary, or store the farm marketing excess
9 with respect to any farm for any crop of wheat harvested
10 in 1955 or subsequent years on the following conditions:

11 “(1) That none of such crop of wheat is removed
12 from such farm;

13 “(2) That such entire crop of wheat is used for
14 seed on such farm, or is fed on such farm to livestock,
15 including poultry, owned by any such producer, or a sub-
16 sequent owner, or operator of the farm;

17 “(3) That such producers and their successors
18 comply with all regulations prescribed by the Secretary
19 for the purpose of determining compliance with the
20 foregoing conditions.

21 Failure to comply with any of the foregoing conditions
22 shall cause the exemption to become immediately null and
23 void unless such failure is due to circumstances beyond the
24 control of such producers as determined by the Secretary.
25 In the event an exemption becomes null and void the provi-

1 sions of this Act shall become applicable to the same extent as
 2 if such exemption had not been granted. No acreage planted
 3 to wheat in excess of the farm acreage allotment for a crop
 4 covered by an exemption hereunder shall be considered in
 5 determining any subsequent wheat acreage allotments or
 6 marketing quota for such farm."

7 TITLE IV—FORESTRY PROVISIONS

8 ASSISTANCE TO STATES FOR TREE PLANTING AND

9 REFORESTATION

10 SEC. 401. (a) The Congress hereby finds and declares
 11 that building up and maintaining a level of timber growing
 12 stocks adequate to meet the Nation's domestic needs for a
 13 dependable future supply of industrial wood is essential to
 14 the public welfare and security; that assisting in improving
 15 and protecting the more than fifty million acres of idle non-
 16 Federal and Federal lands for this purpose would not only
 17 add to the economic strength of the Nation, but also bring
 18 increased public benefits from other values associated with
 19 forest cover; and that it is the policy of the Congress that
 20 the Secretary of Agriculture in order to encourage, pro-
 21 mote, and assure fully adequate future resources of readily
 22 available timber should assist the States in undertaking
 23 needed programs of tree planting.

24 (b) Any State forester or equivalent State official may
 25 submit to the Secretary of Agriculture a plan for forest land

1 tree planting and reforestation for the purpose of effecting
2 the policy hereinbefore stated.

3 (c) When the Secretary of Agriculture has approved the
4 plan, he is hereby authorized and directed to assist the State
5 in carrying out such plan, which assistance may include giv-
6 ing of advice and technical assistance and furnishing financial
7 contributions: *Provided*, That, for the non-Federal forest land
8 tree planting and reforestation, the financial contribution ex-
9 pended by the Federal Government during any fiscal year
10 to assist the State to carry out the plan shall not exceed the
11 amount expended by the State for the same purposes during
12 the same fiscal year, and the Secretary of Agriculture is au-
13 thorized to make financial contributions on the certificate of
14 the State official in charge of the administration of the plan
15 as to the amount of expenditures made by the State.

16 (d) In any plan that coordinates forest lands under the
17 jurisdiction of any Federal agency other than the Depart-
18 ment of Agriculture, the Secretary of Agriculture shall ob-
19 tain the cooperation and assistance of the Federal agency
20 having jurisdiction and the appropriate State forester in the
21 approval and carrying out of the plan.

22 (e) The Secretary of Agriculture may prescribe such
23 rules and regulations as may be appropriate to carry out the
24 purposes of this section.

25 (f) There are hereby authorized to be appropriated such

1 sums as may be necessary to carry out the objects of this
2 section, such sums to remain available until expended.

3 (49)FOREST PRODUCTS; PRICE REPORTING; RESEARCH

4 SEC. 402. (a) *For the purposes of improving the*
5 *management and use of forest resources and in order to*
6 *provide farmers and other owners of small forest properties*
7 *with current information on markets and prices and to aid*
8 *them in more efficiently and profitably marketing forest*
9 *products, the Secretary of Agriculture is hereby authorized*
10 *and directed to establish a price reporting service for basic*
11 *forest products, including but not limited to standing timber*
12 *and cut forest products such as sawlogs and pulpwood.*

13 (b) *The price reports made by the Secretary under*
14 *subsection (a) shall be as to such species, grades, sizes, and*
15 *other detail, and shall be made at such intervals, but at*
16 *least quarterly, as he deems appropriate. Such reports shall*
17 *be by State or forest regions or by such other areas as the*
18 *Secretary considers advisable, and may, in his discretion,*
19 *be made as to one or more areas in advance of other areas.*

20 (c) *In connection with the gathering of price informa-*
21 *tion and the dissemination thereof, the Secretary is authorized*
22 *to cooperate with the State foresters or other appropriate*
23 *State officials or agencies, as well as with private agencies,*
24 *and under such conditions and terms as he may deem appro-*
25 *priate.*

1 (d) *The Secretary of Agriculture shall make a study of*
2 *price trends and relationships for basic forest products such*
3 *as sawlogs and pulpwood and within two years from the*
4 *date of enactment of this Act shall submit a report thereon*
5 *to the Congress.*

(e) In the conduct of research activities under the Act of May 22, 1928 (45 Stat. 699), and the Act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

19 (g) There are hereby authorized to be appropriated for
20 the purposes of this section such sums as may be necessary.

21 (50) *TITLE V—CERTIFICATE PROGRAM FOR*
22 *RICE*

23 *SEC. 501. Title III of the Agricultural Adjustment Act*
24 *of 1938, as amended, is amended (1) by changing the desig-*
25 *nation thereof to read as follows: "TITLE III—LOANS,*

1 *PARITY PAYMENTS, CONSUMER SAFEGUARDS,*
 2 *MARKETING QUOTAS, AND MARKETING CER-*
 3 *TIFICATES"; (2) by changing the designation of subtitle*
 4 *D thereof to read as follows: "SUBTITLE E—MISCEL-*
 5 *LANEOUS PROVISIONS AND APPROPRIATIONS"; and (3)*
 6 *by inserting after subtitle C a new subtitle D, as follows:*

7 *"SUBTITLE D—RICE CERTIFICATES*

8 *"LEGISLATIVE FINDINGS*

9 *"SEC. 380a. The movement of rice from producer to*
 10 *consumer is preponderantly in interstate and foreign com-*
 11 *merce, and the small quantity of rice which does not move in*
 12 *interstate or foreign commerce affects such commerce. In*
 13 *order to provide an adequate and balanced flow of rice in*
 14 *interstate and foreign commerce and to assure consumers*
 15 *an adequate and steady supply of rice at fair prices it is*
 16 *necessary to regulate all commerce in rice in the manner*
 17 *provided in this subtitle. These findings are supplemental*
 18 *to and in addition to the findings contained in section 351*
 19 *of this Act.*

20 *"EFFECTIVE DATE AND TERMINATION*

21 *"SEC. 380b. Sections 380c through 380g (c) shall be*
 22 *effective beginning with the first crop of rice, subsequent to*
 23 *the 1956 crop and prior to the 1959 crop, for which the Sec-*
 24 *retary determines and proclaims that the initiation of a pro-*
 25 *gram under this subtitle is administratively feasible and in the*

1 *best interests of rice producers and the United States. Unless*
 2 *extended by law, the provisions of this subtitle shall not apply*
 3 *to rice of any crop following the second crop for which a*
 4 *program is in effect under sections 380c and 380g (c).*

5 *“RICE PRIMARY MARKET QUOTA*

6 *“SEC. 380c. Not later than December 31 of each year,*
 7 *the Secretary shall determine and proclaim the primary*
 8 *market quota for rice for the marketing year beginning in*
 9 *the next calendar year. The primary market quota shall be*
 10 *the number of hundredweights of rice (on a rough rice basis)*
 11 *which the Secretary determines will be consumed in the United*
 12 *States (including its Territories and possessions and the*
 13 *Commonwealth of Puerto Rico) or exported to Cuba, during*
 14 *such marketing year. In making this determination the Sec-*
 15 *retary shall consider the historical consumption in these*
 16 *markets of rice produced in the United States and any*
 17 *expected enlargement in such consumption predicated upon*
 18 *population trends, increased per capita consumption, and*
 19 *other relevant factors.*

20 *“APPORTIONMENT OF PRIMARY MARKET QUOTA*

21 *“SEC. 380d. (a) The primary market quota for rice*
 22 *shall be apportioned by the Secretary among the several States*
 23 *on the basis of the average yield per acre of rice in each*
 24 *State during the three years immediately preceding the year*
 25 *for which the quota is proclaimed (or in the case of the*

1 apportionment for 1957, during the two years preceding
2 such year) multiplied by the acreage allotment of such State
3 for such year.

4 “(b) The State primary market quota shall be appor-
5 tioned by the Secretary among farms on the basis of the
6 acreage allotment established for each farm multiplied by
7 the normal yield per acre for the farm.

8 “REVIEW OF PRIMARY MARKET QUOTA

9 “SEC. 380e. Notice of the primary market quota shall
10 be mailed to the operator of the farm to which such quota
11 applies. The farm operator may have such quota reviewed
12 in accordance with the provisions of sections 363 to 368,
13 inclusive, of this Act.

14 “PRICE SUPPORT

15 “SEC. 380f. (a) Notwithstanding any other provision
16 of law, the Commodity Credit Corporation shall make price
17 support available to cooperators through loans, purchases,
18 or other operations on any crop of rice for which a program
19 is in effect under sections 380c through 380g (c) at such
20 level, not less than 50 per centum or more than 90 per centum
21 of the parity price therefor, as the Secretary determines will
22 not discourage or prevent the exportation of rice produced
23 in the United States.

24 “(b) Section 101 of the Agricultural Act of 1949, as
25 amended, shall not apply to price support made available

1 on rice of any crop to which this section is applicable, but
 2 all the other provisions of such Act, to the extent not incon-
 3 sistent with this subtitle, shall apply to price support opera-
 4 tions carried out under this section.

5 "CERTIFICATES

6 "SEC. 380g. (a) The Secretary of Agriculture shall for
 7 each marketing year issue certificates to cooperators for a
 8 quantity of rice equal to the primary marketing quota for the
 9 farm for such marketing year, but not exceeding the normal
 10 yield of the acreage planted to rice on the farm. The certifi-
 11 cate shall have the value specified in subsection (e) of this
 12 section.

13 "(b) The landlord, tenants, and sharecroppers on the
 14 farm shall share in the certificates issued with respect to the
 15 farm in the same proportion as they share in the rice pro-
 16 duced on the farm or the proceeds therefrom.

17 "(c) The provisions of section 385 of this Act shall be
 18 applicable to certificates issued to producers under this section.

19 "(d) The Commodity Credit Corporation shall issue and
 20 sell certificates to persons engaged in the processing of rough
 21 rice or the importing of processed rice. Each such certificate
 22 shall be sold for an amount equal to the value thereof, as
 23 specified in subsection (e) of this section.

24 "(e) The value of each certificate issued under this sec-
 25 tion shall be equal to the difference between 90 per centum

1 of the parity price of rice as of the beginning of the marketing
2 year for which the certificate is issued and the level of price
3 support for rice which is in effect during such marketing
4 year, calculated to the nearest cent, multiplied by the quantity
5 of rice for which the certificate is issued. Any certificates not
6 used to cover the processing of rice or the importation of
7 processed rice pursuant to sections 380k and 380l of this
8 Act shall be redeemed by the Commodity Credit Corporation
9 at the value thereof.

10 "INVENTORY ADJUSTMENT PAYMENTS

11 "SEC. 380h. To facilitate the transition from the price
12 support program currently in effect to the program provided
13 for in this subtitle, the Commodity Credit Corporation shall
14 make inventory adjustment payments to all persons owning
15 rough rice located in the continental United States as of the
16 beginning of the marketing year for the first crop of rice
17 for which a program is in effect under sections 380c through
18 380g (c): Provided, however, That such payments shall not
19 be made with respect to rice of such crop, imported rice, or
20 rice acquired from Commodity Credit Corporation. The
21 amount of such payment per hundredweight shall be the
22 amount by which the estimated average price paid producers
23 during the marketing year for the preceding crop exceeds
24 the estimated average support price for the first crop for
25 which a program is made effective. There are hereby author-

1 ized to be appropriated such sums as may be necessary to
 2 make payment to Commodity Credit Corporation for ex-
 3 penditures pursuant to this section.

4 "RICE SET-ASIDE

5 "SEC. 380i. All rough and processed rice in the inven-
 6 tories of Commodity Credit Corporation as of sixty days after
 7 the beginning of the marketing year for the first crop for which
 8 a program is in effect under sections 380c through 380g (c),
 9 not exceeding twenty million hundredweight of rough rice or
 10 its equivalent in processed rice may be transferred to and be
 11 made a part of the commodity set-aside of rice established pur-
 12 suant to section 101 of the Agricultural Act of 1954.

13 "EXEMPTIONS

14 "SEC. 380j. The provisions of this subtitle shall not ap-
 15 ply to nonirrigated rice produced on any farm on which the
 16 acreage planted to nonirrigated rice does not exceed three
 17 acres, and the provisions of sections 380c through 380g (c)
 18 shall not apply to rice produced in Puerto Rico or Hawaii.

19 "PROCESSING RESTRICTIONS

20 "SEC. 380k. (a) Each person who on or after the
 21 beginning of the marketing year for the first crop for which
 22 a program is in effect under sections 380c through 380g (c),
 23 engages in the processing of rough rice in the United States
 24 shall, upon processing any quantity of rough rice, acquire

1 certificates issued under section 380g of this Act in an amount
2 sufficient to cover such quantity of rough rice.

3 “(b) The requirements of subsection (a) of this section
4 shall not be applicable to the processing in Puerto Rico or
5 Hawaii of rough rice grown in Puerto Rico or Hawaii,
6 respectively.

7 “(c) Upon the exportation from the United States to
8 any country other than Cuba of any processed rice with re-
9 spect to which certificates were acquired in accordance with
10 the requirements of subsection (a) of this section or section
11 380l, the Commodity Credit Corporation shall pay to the
12 exporter an amount equal to the value of the certificates for
13 the rough rice equivalent of such processed rice.

14 “IMPORT RESTRICTIONS

15 “SEC. 380l. Each person who, on or after the beginning
16 of the marketing year for the first crop for which a program
17 is in effect under sections 380c through 380g (c), imports
18 processed rice into the United States shall acquire certificates
19 issued under section 380g of this Act covering the rough rice
20 equivalent of such processed rice.

21 “REGULATIONS

22 “SEC. 380m. The Secretary shall prescribe regulations
23 governing the issuance, redemption, acquisition, use, transfer,
24 and disposition of certificates hereunder.

1 “CIVIL PENALTIES

2 “SEC. 380n. Any person who violates or attempts to
3 violate, or who participates or aids in the violation of, any
4 of the provisions of sections 380k or 380l of this Act, or
5 regulations prescribed by the Secretary for the enforcement
6 of such provisions, shall forfeit to the United States a sum
7 equal to three times the market value, at the time of the
8 commission of such act, of the product involved in such vio-
9 lation. Such forfeiture shall be recoverable in a civil suit
10 brought in the name of the United States.

11 “REPORTS AND RECORDS

12 “SEC. 380o. (a) The provisions of section 373 (a)
13 of this Act shall apply to all persons, except rice producers,
14 who are subject to the provisions of this subtitle, except that
15 any such person failing to make any report or keep any
16 record as required by this section or making any false report
17 or record shall be deemed guilty of a misdemeanor and upon
18 conviction thereof shall be subject to a fine of not more than
19 \$2,000 for each such violation.

20 “(b) The provisions of section 373 (b) of the Act shall
21 apply to all rice farmers who are subject to the provisions of
22 this subtitle.

23 “DEFINITIONS

24 “SEC. 380p. For the purposes of this subtitle—

“(a) ‘cooperator’ shall have the same meaning as under the Agricultural Act of 1949, as amended.

“(b) ‘processing of rough rice’ means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

“(c) ‘processed rice’ means any rice from which the husk or hull has been removed and includes, but is not limited to—

“(1) whole grain rice,

“(2) second head milled rice,

“(3) screenings milled rice,

“(4) brewers milled rice,

“(5) undermilled rice or unpolished rice,

“(6) brown rice,

“(7) converted rice, malekized rice or par-boiled rice, and

“(8) vitaminized rice or enriched rice.

“(d) ‘United States’ means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

“(e) ‘exporter’ means the consignor named in the bill of lading under which the processed rice is exported: Provided, however, That any other person may be considered to be the exporter if the consignor named in the

1 *bill of lading waives his claim in favor of such other*
2 *person.*

3 “(f) ‘rough rice equivalent’ means the quantity of
4 rough rice normally used (as determined by the Secretary
5 of Agriculture) in the production of a particular quantity
6 of processed rice, but shall not be more than one hundred
7 pounds of rough rice for each sixty-eight pounds of
8 processed rice.

9 “(g) ‘import’ means to enter, or withdraw from
10 warehouse, for consumption.”

11 *NORMAL YIELD FOR RICE*

12 *SEC. 502. Paragraph (13) of section 301 (b) of the*
13 *Agricultural Adjustment Act of 1938, as amended, is*
14 *amended by (1) redesignating subparagraph (E) as sub-*
15 *paragraph (G); and (2) striking out subparagraph (D)*
16 *and inserting in lieu thereof the following:*

“(D) ‘Normal yield’ for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into con-

1 sideration the yields obtained in surrounding counties during
2 such year and the yield in years for which data are available,
3 shall be used as the actual yield for such year.

4 “(E) ‘Normal yield’ for any farm, in the case of rice,
5 shall be the average yield per acre of rice for the farm during
6 the five calendar years immediately preceding the year for
7 which such normal yield is determined, adjusted for abnormal
8 weather conditions and for trends in yields. If for any
9 such year the data are not available or there is no actual
10 yield, then the normal yield for the farm shall be appraised
11 in accordance with regulations issued by the Secretary, tak-
12 ing into consideration abnormal weather conditions, trends in
13 yields, the normal yield for the county, the yields obtained on
14 adjacent farms during such year and the yield in years for
15 which data are available.

16 “(F) In applying subparagraphs (D) and (E), if on
17 account of drought, flood, insect pests, plant disease, or other
18 uncontrollable natural cause, the yield for any year of such
19 five-year period is less than 75 per centum of the average,
20 75 per centum of such average shall be substituted therefor
21 in calculating the normal yield per acre. If, on account of
22 abnormally favorable weather conditions, the yield for any
23 year of such five-year period is in excess of 125 per centum
24 of the average, 125 per centum of such average shall be sub-
25 stituted therefor in calculating the normal yield per acre.”

(51) TITLE VI—MISCELLANEOUS

PRICE SUPPORTS—COTTONSEED AND SOYBEANS

SEC. 601. (a) Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

“SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.”

(b) The amendment made by this section shall take effect with the 1956 crop.

TRANSITIONAL PARITY FOR BASIC COMMODITIES FROZEN
DURING 1957

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii)) is amended by inserting after “full calendar years” the following: “(not counting 1956 in the case of basic agricultural commodities)”. The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

Passed the House of Representatives May 3, 1956.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments May 18 (legislative
day, May 7), 1956.

Attest: FELTON M. JOHNSTON,
Secretary.

84TH CONGRESS
2D SESSION

H. R. 10875

AN ACT

To enact the Agricultural Act of 1956.

IN THE SENATE OF THE UNITED STATES

MAY 18 (legislative day, MAY 7), 1956

Ordered to be printed with the amendments of the
Senate numbered

Lehman deal with Italy's Mediobanca. Previously, Lazard had been buying into a French bank or two, with the idea of gaining a strong position in French overseas banking operations. Then Lazard hooked up with Lehman to get an operating position in Italy.

The Mediobanca, which was formed in 1946 by three of Italy's leading banks, virtually dominates the investment banking business in Italy. Most of Italy's big industrial corporations use it to handle their public issues. Undoubtedly, if firms such as Fiat, Pirelli, or Montecatini should want to sell part of an issue in New York, Lazard and Lehman would get the business.

Uncertainties: According to Wall Street rumor, there is still some uncertainty as to whether International Resources Fund will go ahead with its plan for a public issue in October. Capital Management, the fund's manager, says it is 99 percent sure the issue will hit the market in mid-October. If it does, investors will be able to buy into a mutual fund whose securities will be split roughly 50-50 between United States corporations with foreign interests and foreign enterprises.

All this new activity involving foreign securities hinges on a healthy stock market here in the United States. If the market turns really sour, as a few "streetcars" now predict, much of the current flurry might soon look like no more than a bubble. These "streeters" say it has always been hard to sell even high-grade Canadian securities in a declining market, and European securities would be likely to suffer even more.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, yesterday, as is shown at page 7482 of the CONGRESSIONAL RECORD, I spoke about the conference on Asian-American cultural relations. Today it was my privilege to speak to the participants in the conference who are mentioned in yesterday's statement, at a luncheon in the Vandenberg room in the Capitol.

In my remarks I said:

I want to convey warmest greetings to our visiting friends of Asia.

Today, on Capitol Hill, they are climaxing, I believe, a 4-week tour of the United States, which started in San Francisco, and which has continued through the Midwest and the East.

COMMENTS IN CONGRESSIONAL RECORD YESTERDAY

Yesterday, on the Senate floor, I was pleased to convey my initial word of greeting to you.

Around the table I have been glad to distribute tearsheets of my remarks—page 7492 of the May 17 CONGRESSIONAL RECORD.

WELCOME TO ASIAN AND UNITED STATES GUESTS

We are pleased to welcome each of you here. We are pleased, too, to welcome the distinguished men and women in universities, the State Department, and elsewhere, who have helped make your visit to the States and to Washington, in particular, rewarding, I trust.

VOICES OF EAST WELCOME

Yesterday, we, in the Congress, had the privilege of hearing from the distinguished President of Indonesia, Sukarno—a great voice from the East.

Today, in our midst, we are pleased to have the president of the University of Indonesia, Dr. Djohan, as well as our other fine friends.

We are happy to get to know you better, and we know that you want to get to know us better.

OUR DIFFERENT CULTURES

We want to learn more about your culture, your ancient, rich heritage and tradition.

Each of you come from heritages which are obviously somewhat different from ours—Hindu, or Muslim, or Buddhist, or other; but we share the same love of liberty, and the same belief in the human personality and human dignity.

OUR BASIC QUESTION—HOW TO IMPROVE RELATIONS

The question which I should like to submit to our friends from Asia is a positive question, an affirmative question.

It is this: In your travel throughout the United States, what has impressed you most in American culture?

What are the points of agreement between our cultures, and how may we strengthen our cultural ties?

Each of our friends from Burma, Cambodia, Ceylon, India, Indonesia, Laos, Pakistan, the Philippines, Thailand, and Vietnam responded to the question. They spoke of their impressions gained from the 4 weeks they had spent in America, and they mentioned many points of agreement between the cultures of their lands and our own.

Also present at the luncheon and addressing the group were the Senator from Montana [Mr. MANSFIELD], the Senator from Alabama [Mr. SPARKMAN], and Representatives FULTON and Judd.

It is such meetings as these which break down barriers of misunderstanding. Everyone present felt that there should be more such visitations among the citizens of the various countries.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. BIBLE. Mr. President, I ask unanimous consent that on Monday next, immediately following the conclusion of the morning hours, there be a call of the calendar for the consideration of measures to which there is no objection, beginning at the point where the previous call ended.

The ACTING PRESIDENT pro tempore. As the Chair understands, the request should also include a request for the consideration of Calendar No. 1874, House bill 3054, a bill for the relief of Allen Pope, his heirs or personal representatives, which bill was carried over from the previous call of the calendar with the agreement that it would be called at the next succeeding call of the calendar.

Mr. BIBLE. That is correct; and my unanimous-consent request should be amended to that extent.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Is there further morning business?

Mr. BIBLE. Mr. President, of course, the farm bill is the unfinished business. The Senate is operating today under a unanimous-consent agreement for limitation of debate. In order to give all Senators the opportunity of making insertions in the RECORD, I think it might be in the interest of order and expedition in connection with today's proceedings to suggest the absence of a quorum at this time.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. With the understanding that morning business is not closed, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES conferees on the part of the Senate.

SUGGESTIONS BY DEMOCRATIC PARTY IN MONTANA FOR A NATIONAL FARM PROGRAM

Mr. MURRAY. Mr. President, while the President's veto of the first farm bill makes it clearly impossible to write an adequate farm program into law this year, I think it is appropriate to place in the RECORD at this time a yardstick of what farmers need and want.

The Democratic Party in Montana recently has developed specific suggestions for a national farm program. These suggestions represent a summation of ideas and conclusions reached by 23 regional farm forums held in Montana under the sponsorship of the Democratic Party of the State. Each of the 56 counties was represented at these forums. More than 800 farmers and stockmen participated in the discussions. At the summation meeting, consultants from Montana State College and Representative LEE METCALF participated.

I ask unanimous consent to have the material printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONTANA DEMOCRATIC PARTY SUGGESTIONS FOR A NATIONAL FARM PROGRAM

We, the undersigned, recognizing need for a sound farm program in order to safeguard the economy of our State have selected from those ideas submitted at the farm forum meetings the following propositions as a suggested farm program for Montana.

We believe that a farm program to be successful must be administered at the State

and local level embracing sufficient flexibility to readily conform with the problems of each individual State.

Regional chairmen: Senator William Groff, Victor; Representative Arnold Rieder, Boulder; Edward V. Kottas, Lewistown; Lester Butledge, Big Sandy; A. A. Healow, Billings; Representative Lloyd Barnard, Saco; Representative John J. McDonald, Jordan.

County committee members: Clarence Bick Ronan, Alfred Anderson, Hamilton; Boyington Paige, Philipsburg; Farmer Bean, Gold Creek; Ulrich W. Deschamps, Missoula; Paul K. Harlow, Thompson Falls; Tom Ambrose, Big Fork; Carl Starbakken, Libby; Leslie Staudemeyer, Dillon; Clark Raymond, Sheridan; Hugh J. Murphy, Butte; Al Donich, Deer Lodge; Robert Hensley, Townsend; Paul Ringling, White Sulphur Springs; J. Rogan, north of Helena; Paul Hodge, Moccasin; Paul Holzer, Benchland; Eiden Freed, Winnett; Francis Manley, Cut Bank; Shade Denson, Shelby; Robert Elings, Conrad; Orval Brain, Chester; Senator Gordon McGowan, Highwood; Raymond Lenhart, Havre; John R. Hoehn, Chinook; Merrill Plummer, Fairfield; Allen V. Chesbro, Jr., Belt; Nobel Meisdalen, Malta; Lovitt Westlake, Bozeman; W. W. Pepper, Wilsall; Claude Gray, Big Timber; John Reitz, Harlowton; Nat Allen, Ryegate; Frank V. Oset, Roundup; Adolph Schaak, Billings; Karney J. Redman, Wyola; Robert Brastrup, Joliet; Jake Frank, Park City; Ronald Osterberg, Glasgow; Alton Wesen, Glasgow; Sid Cotton, Glasgow; J. E. Carney, Scooby; Henry Crohn, Dagmar; C. R. Casterline, Culbertson; Frank Daniels, Sidney; Bob Dever, Glendive; Martin Beck, Vida; L. P. Larson, Wibaux; Glen Edsall, Brusett; Janet McDonald, Forsyth; Senator Dave Manning, Hysham; Marcus Tonn, Miles City; Rudolf F. Luts, Carlyle; Ben Jurica, Powderville; John H. Walling, Ekalaka; Gottlieb Ulrich, Marsh.

Respectfully submitted.

LESTER RUTLEDGE,
Chairman.

MAY 5, 1956.

SUGGESTIONS FOR NATIONAL FARM PROGRAM

1. Responsible Department of Agriculture officials should furnish information to the public to show the American farmer in his true light as a modern businessman requiring special skill in his job in safeguarding this keystone of America's economy.
2. Adequate reserve of farm commodities should be set aside for national protection in case of war, drought years or other emergency on the national level. The cost of maintaining such a reserve should not be a charge against agriculture but against national defense. Such reserves should not be marketed excepting in times of national emergency.
3. More research into livestock diseases including beef and dairy cattle.
4. More research looking for a better and more profitable utilization of byproducts of farm products and livestock.
5. Representatives of the Department of Agriculture should go to foreign countries and search our new markets for our farm commodities.
6. Greater effort should be made to substitute food for money in aiding foreign nations.
7. Need is seen for the Department of Agriculture to take a realistic, modern approach to the changing course of agriculture and to problems peculiar to the various regions in the United States. Much can be done with existing laws to bring about a greater prosperity in our agricultural industry which will benefit both producer and consumer.

SUGGESTIONS FOR FARM PROGRAM FOR MONTANA

Livestock

1. There should be regulations preventing diseased cattle from being butchered and used for human consumption, and to per-

mit sale of such cattle for animal food only. If necessary a compensatory payment should be made to producers.

2. It is suggested a compensatory payment should be provided on heifers weighing up to 800 pounds. This will tend to reduce numbers. The compensatory payment could be based on a fluctuating price that protects the producer so he will realize an adequate but not excessive return on his investment. Payment should be direct to the producer. Payments could be stopped when consumption reaches a desired level with cattle numbers.

3. It is thought greater consideration should be given to a food stamp plan for State and Federal institutions and welfare agencies to increase consumption of beef.

4. Expanded use of beef in school lunch programs.

Dairy

1. Continuation of the milk control law.
2. Consideration of increased parity for producers.

Sheep

1. Continuation of present compensatory payment law.

Sugar beets

1. We endorse the recent Senate bill as passed giving us 55 percent of the population increase.

Wheat

1. Agricultural programs should be administered by farmer committees elected by farmers at community meetings. The delegates elected at these meetings would elect the county committees and overall State committee. Such groups would work with the Department of Agriculture and problems could be met on a regional basis. Provisions of programs should be presented for discussion at community farmer meetings and opinions expressed by the farmers at these meetings given consideration.

2. Price supports should be based on a parity formula which would stabilize the price of wheat and other farm commodities in terms of what it will buy of goods used in operation of the farm.

3. We feel regulation should be on a bushel allotment, rather than on an acreage allotment basis. In effect it would mean marketing control rather than production control. There would be consideration given to some control over feed grains, keeping in mind the relation of feed grains to livestock production.

4. Issuance of a marketing card for the maximum bushels an operator can sell at 100 percent of parity as his share of the domestic market, export market, etc. This amount can be determined by the past history of the farm.

5. If the price at the elevator for such maximum bushels is below 100 percent of parity the Government should make up the difference.

6. Maximum bushels of production for industrial size farms should be on a sliding scale basis.

7. It is suggested there should be strict compulsory controls, with all producers either coming under the controls or being subject to severe penalties.

8. Parity should be increased as maximum bushel production is reduced.

9. Stricter regulation of imports of farm commodities, particularly those which are below parity or in surplus.

10. Continue program to provide credit to farmers for needed expansion to secure a family-size farm and for building storage space for surplus products.

11. The Northwest States were on a 50-50 basis (summer fallow and crop) when the program was started and these States thereby were penalized because they had to reduce again on this half of their acreage. This acreage was lost to other States where corn, cotton, tobacco, etc., acreage was diverted

to crops which the Northwest States had produced.

12. Encourage on the farm rather than commercial grain storage. This would effect a considerable saving to the Government and reduce criticisms of the program by the consumer.

13. Smaller on-the-farm producers should be protected, with stricter regulations for industrial-size farms.

14. Penalties for violations should be on both the seller and buyer.

15. Higher sanitary and grain-mixing standards are urged for grains to attract foreign buyers and expand domestic use.

16. Food-stamp plan for underprivileged people.

17. Expanded school-lunch program.

18. Expanded use of surplus foods in public institutions.

19. Extra bushels from overproduction stored on farms at farmers' expense as insurance against crop failure years.

20. Surplus farm commodities in the Government's possession should not be offered for sale in the domestic market at less than parity.

21. Soil conservation should be expanded to bring about as far as possible wise use of the soil to maintain and increase its fertility for future generations.

22. Marketing quotas should be on a sliding scale to favor the family-size farm.

23. More research for improving quality and safeguarding Montana crops.

Feed grains

1. Parity for feed grains should be based on corn parity in same ratio as feed value of such grains is to corn.

AGRICULTURAL ACT OF 1956

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The ACTING PRESIDENT pro tempore. The Senate is operating under a unanimous-consent agreement. The bill is open to amendment. If there be no amendment to be proposed—

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The bill is open to amendment.

Mr. YOUNG. Mr. President, I call up my amendment, identified as "5-17-56-H."

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed on page 42, between lines 6 and 7, to insert the following new section:

SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such

wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The Senator from North Dakota has 30 minutes on the amendment, and the majority leader has 30 minutes on the other side.

Mr. YOUNG. Mr. President, I yield myself 5 minutes, or as much as is necessary.

The amendment embodies a provision requested by President Eisenhower in his message to Congress earlier this year. It was a provision contained in the agricultural bill introduced by our colleague, the Senator from Vermont [Mr. AIKEN]. It would permit the Secretary of Agriculture to dispose of up to 100 million bushels of wheat a year for feed or other purposes, without regard to the present provision of the law which requires wheat to be sold at 105 percent of the prevailing price support level.

The Government has about 900 million bushels of wheat on hand, about a year's supply—considering our own domestic needs, wheat for seed purposes, and for export needs. Some of this wheat is getting old. I think the Secretary of Agriculture should be given the right to sell, if he deems it advisable, up to 100 million bushels of wheat per year under limitations of this amendment.

I believe the amendment itself is very simple, and that the explanation I have made is sufficient, unless there are some questions.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPPEL. I wish to say to the distinguished Senator from North Dakota that I am glad he has offered this amendment. I wish to say for the record that on the 16th day of May of this year I had an identical amendment printed. It is identified as "5-16-56-A." I am happy to join with the Senator from North Dakota in the amendment he has offered, because I think it is worthwhile, and takes care of a situation which needs alleviation. As the Senator has stated, the President recommended it in his message to Congress. Moreover, the Secretary of Agriculture, in his letter dated July 1, 1955, to the President of the United States, made this recommendation, in paragraph 4:

We recommend that the Congress give consideration to legislation that would authorize the Secretary of Agriculture to dispose of not to exceed 100 million bushels annually of low-grade wheat for feed at prices 10 percent above the support price for corn.

The amendment which the Senator from North Dakota has called up is identical with the amendment I had intended to offer. I am happy to join with him. I think it is a desirable amendment, and that the Senate ought to adopt it, in fairness, in view of the other provisions of the agricultural bill.

Mr. AIKEN. Mr. President—

The PRESIDENT pro tempore. How much time does the Senator from North Dakota yield to the Senator from Vermont?

Mr. AIKEN. I request 2 minutes.

Mr. YOUNG. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, the proposal is in accord with the original recommendations of the President. At that time there was a fear on the part of some that it would interfere with the marketing of corn and other feed grains. Since that time corn has been protected by a minimum support price of \$1.25 a bushel. Furthermore, it will be noted that the amendment does not require the Secretary to dispose of 100 million bushels of wheat a year for feed, and certainly he would not be expected to do so if it would break the market. I know that no one would expect him to do that, and certainly the Senator from North Dakota would not intend that.

I see no objection to the amendment.

Mr. BIBLE. Mr. President, I yield 5 minutes to the senior Senator from Louisiana [Mr. ELLENDER].

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry did not consider this amendment in connection with H. R. 10875 and did not have any testimony with respect to it.

I merely wish to point out that if the amendment is adopted, I am quite certain that it will adversely affect the price of feed grains. Under the law as it now stands, the Secretary has authority to sell feed grains if such sales will not substantially impair any price-support program. If he finds, for instance, that there is a shortage of corn, the Secretary now has authority to dispose of feed grains along the line suggested in the pending amendment.

But, as I understand it, the amendment would permit such sales even though the Secretary might be unable to determine that they would not substantially impair the price-support program—and even though such sales would have an unfortunate impact on that program.

Mr. President, it is my considered judgment that with a new 51 million base acreage for corn fixed in the bill, plus a provision permitting the Secretary of Agriculture to support corn grown by farmers who do not comply with acreage allotments, this year we shall have corn running out of our ears; and I presume the Government will, under the program, purchase a good deal of the corn. If we compound this situation by increasing the feed supply even more—and that is what would happen if the Secretary sells 100 million bushels of wheat without taking into consideration the effect of that sale of wheat on support prices, the Government will have to take over even more corn.

In addition I understand an effort will be made sometime during the day to change the provisions of the small-grains section of the bill, thereby reducing price supports proposed for such grains.

As I pointed out in the debate when the Senate bill was substituted for H. R. 12, if it were possible for the Secre-

tary of Agriculture to limit the production of small grains—that is, he could fix a base acreage upon the average of the land planted in 1953, 1954, and 1955—and to say to producers of small grains, "We will support your production at a higher price if you participate in the soil bank program, and if you plant only 85 percent of your base acres," the supplies of feed grains would be reduced without a reduction in the income of feed-grain producers. But if the present support levels for corn—both compliance and noncompliance—are retained and if small-grain production is not controlled and reduced, I am sure we are going to have feed grains in huge surplus at the end of this year. To further aggravate this situation by adding a tremendous amount of wheat to this over-supply of feed would, in my opinion, result in chaos.

The ACTING PRESIDENT pro tempore. The time granted the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am very happy to yield an additional 5 minutes to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana may proceed.

Mr. ELLENDER. Mr. President, I do not know what the Senate is going to do in respect to those provisions of the bill pertaining to small grains. I understand a compromise is in the offing. As chairman, my primary purpose is to protect the provisions of the Senate committee bill. Of course, if a new and better program for feed grains can be placed before the Senate, I would be one of the last to oppose it.

I merely wish to point out that if this amendment is adopted, in my humble judgment, it will further depress the price of grain, which, of course, is what many areas of the country desire.

The main opposition to the so-called small-grains amendments, as included in the pending bill, is that they will raise the price of these grains; and raise the prices of poultry and cattle feed, particularly in the Northeast. If, as is contemplated, we change the provisions of the pending bill in such a way as to permit farmers to plant whatever acreage to grain they desire, and support production at 76 percent of parity, and then direct the unrestricted sale of 100 million bushels of wheat for feed, it is my judgment that the hog producers who do not grow their own feed, the cattle feeders, the poultry producers of the Northeast, and the dairy farmers will get cheap feed at the expense of the Federal Government.

Mr. President, I thought I would submit these views to the Senate before it votes on the amendment. I believe that Senators who are sincerely interested in the growing of corn—Senators from the corn-producing States—particularly my friend, the Senator from Iowa [Mr. HICKENLOOPER], and others in a similar situation—should be made aware of the implications of the amendment.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Has it been the observation of the distinguished Senator from Louisiana that when there is cheap grain the prices of livestock also go down?

Mr. ELLENDER. There is no doubt of it.

Mr. DANIEL. Has the Senator from Louisiana ever heard of our having a good livestock market when there was cheap grain?

Mr. ELLENDER. I never have. In my humble judgment, this amendment will be more or less a bonanza for the sections of the United States in which the producers are able to protect by marketing agreements and other means the prices of their commodities, as is done in the Northeast. The producers in the Northeast can enter into marketing agreements and sell their milk and milk products on a protected market; and, of course, the people of that area want cheap grain. They are opposed to the provisions of the pending bill affecting small grain.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am happy to yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. If we have a 76-percent support price on all small grains without acreage control, and if next year we should have the same program in effect, that is, a price support without acreage controls, we would further aggravate the price structure of all the protected grain commodities, particularly corn. Corn is bound to suffer.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. My major purpose in offering this amendment is to afford some relief to certain areas of the United States, particularly the Pacific Northwest. Farmers in those areas are not buying all their feed grains from United States farmers. For example, the Pacific Northwest is a feed-deficit area, and there is a great deal of low-grade wheat, the condition of which is bound to deteriorate. The farmers of that area are not permitted to use it. They are importing large amounts of feed grain from Canada and elsewhere. It is not my purpose in offering the amendment to depress the price of feed grains, because I agree with the chairman that cheap feed grains mean cheap hog prices, and cheap prices for other commodities. But so long as there is this grain which is bound to deteriorate and which will have to be sold later, why not sell some of it now, when it can be sold to good advantage without destroying the market?

Mr. ELLENDER. The Senator will recall that when we held hearings in the Northwest the wheat growers stated that they would like to use some of their own wheat for feed, but they were obtaining most of their feed from Iowa, North Dakota, and South Dakota.

Mr. YOUNG. They can buy it cheaper in Canada now.

Mr. ELLENDER. What will happen, of course, is that the price of feed grains will be further depressed. The Senator knows that. The prices of oats, barley, and other grains are bound to be de-

pressed when as much as 100 million bushels of wheat are put into feed consumption channels.

Mr. YOUNG. Would not the Senator agree that much of the wheat is bound to deteriorate, and will have to be disposed of anyway?

Mr. ELLENDER. The Secretary has authority to dispose of it now. We do not need this amendment to permit the Secretary to dispose of that wheat, but, under existing law, he must not undertake such a program if it would substantially affect the prices of other supported grains.

Mr. YOUNG. No. He must sell it at a higher price. Under this provision, he could sell it at a lower price than is possible in the present law, and before it goes out of condition.

Mr. ELLENDER. What does the Senator mean by the following language in his amendment:

Provided, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains.

There is such a provision in the law now, and I do not see any reason to repeal it.

Mr. YOUNG. As the Senator knows, the present law provides that the Secretary may not sell wheat or any other grain unless it is going out of condition, except at a stipulated price, namely, at the price support level plus 5 percent. This amendment would permit him to sell it at a somewhat lower price before it goes out of condition. Of course, when it goes out of condition he can sell it for any price he can get for it.

Mr. ELLENDER. I am sure the Senator is familiar with section 407 (c) of the present law, which contains the following language:

Sales for seed or feed, if such sales will not substantially impair any price support program.

The present law does not say anything about whether or not the commodity is deteriorating; it gives the Secretary authority to sell wheat for feed, provided such sale does not affect the price support program for other grains.

Mr. YOUNG. The Senator knows that there is another provision in the law under which the Secretary may not sell such grain for less than the price support level plus 5 percent. Over the past several years a great deal of corn was disposed of because it was going out of condition.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has again expired.

Mr. BIBLE. I yield 5 additional minutes to the Senator from Louisiana.

Mr. YOUNG. Why not permit the Secretary to sell a little of the wheat in areas where it is badly needed, and where it will not affect the price of other feed grains.

Mr. ELLENDER. Has not the Secretary now the authority—

Mr. YOUNG. No; he has not.

Mr. ELLENDER. Has not the Secretary the authority at present to sell grains which have deteriorated?

Mr. YOUNG. He has authority to sell grains which have deteriorated, but this

amendment would give him permission to sell the grain before it goes out of condition.

Mr. ELLENDER. What the Senator wants to do is to dispose of grain before it goes bad.

Mr. YOUNG. To dispose of low-grade wheat, which is not suitable for milling and before it goes out of condition.

Mr. ELLENDER. I merely wished to bring the situation to the attention of the Senate. As chairman of the committee, I should like to point out that the committee did not consider the amendment in connection with the pending bill. No witnesses testified as to the effect of the proposed amendment on other price supported grains. I argue the question from the standpoint that, with noncompliance corn producers able to plant—and I am sure they will plant—all the corn they can and still receive price support, we can expect more corn this year, than we have ever had in the history of our country.

Mr. YOUNG. The Senator knows that this amendment was considered by the committee earlier this year.

Mr. ELLENDER. It was proposed in a bill which was introduced on behalf of the administration by the Senator from Vermont [Mr. AIKEN]. However, as the Senator knows, we did not hear complete testimony on it. I heard every word of the testimony during the farm-bill hearings, but I do not recall much mentioned in connection with the unrestricted sale of 100 million bushels of wheat.

Mr. YOUNG. Which indicates that there was not much objection to it.

Mr. ELLENDER. If there had been no objection to it, we would have put it into the bill; but the fact is that we did not do so.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I believe I heard the distinguished chairman just state that this amendment was not considered by the committee. Is that correct?

Mr. ELLENDER. That is correct—that is, by way of receiving testimony thereon. It was in a bill introduced by the distinguished Senator from Vermont, but it was not even brought up in connection with H. R. 10875.

Mr. HOLLAND. If the Senator will further yield, does not the Senator remember that the entire question of feed grains was a subject which occupied by far the largest part of the committee's attention?

Mr. ELLENDER. I have so stated many times on the floor of the Senate.

Mr. HOLLAND. Does not the distinguished chairman know that members of the committee who have not too much at stake in the final passage of the bill, one way or the other, have been working for days to find some kind of solution of the feed-grain situation, which will be mutually acceptable, without having any knowledge that this amendment was to be offered?

Mr. ELLENDER. To be frank, I have not been included in the councils of those who are trying to offer a substitute for the feed-grain provisions of the bill. However, I do know that some work has been done. I know that quite a number

of Senators are now engaged in that endeavor.

Mr. HOLLAND. If the Senator will yield very briefly, it seems to me that the Senator from Louisiana very properly takes the position that it is his duty as chairman of the committee to stand by the committee's recommendations.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. But, nevertheless, he has been kept advised from day to day, for the past several days, of the very strenuous effort which is being made to compose the differences on the feed-grain problem.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Does the Senator note, from the date of the amendment, that it was submitted for printing only yesterday?

Mr. ELLENDER. I learned about it this morning. I made inquiry about it. I did not know of the existence of the amendment until it was brought to my attention today.

The ACTING PRESIDENT pro tempore. The acting majority leader has used 20 minutes of his time.

Mr. BIBLE. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. HOLLAND. Will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I should merely like to say that we are hopeful that we have worked out a satisfactory agreement. We have worked very hard on such an agreement, and have done so without any knowledge of the fact that this amendment was about to be proposed. It does inject a new aspect. It brings up the question of 100 million bushels of wheat, to be disposed of at a reduced price—at some price not even mentioned—for feed purposes, which means, of course, that such wheat would be competitive with all other feed grains.

Mr. ELLENDER. There is no doubt about that.

Mr. HOLLAND. Therefore we hope that the distinguished chairman of the committee will insist that the amendment be rejected.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Will the amendment help the wheat farmer in connection with this year's crop, and will it raise or lower the price of wheat?

Mr. ELLENDER. It will not help him because wheat production is controlled and wheat farmers have a price support program, insofar as they comply with acreage allotments.

Mr. CAPEHART. Will the amendment directly or indirectly have the tendency to raise the price of wheat or to lower it?

Mr. ELLENDER. The price to whom?

Mr. CAPEHART. To the farmer.

Mr. ELLENDER. No; it will not. I say that because the wheat farmers are now growing wheat under allotted acres at a fixed support price of about 82.7 percent of parity. Therefore the amendment would not affect the price of wheat they produce.

Mr. CAPEHART. It will not affect the farmer who comes under the price support provisions. However, I am talking about the farmer who does not comply.

Mr. ELLENDER. If he does not comply, he gets no price support.

Mr. CAPEHART. Would the amendment have a tendency to increase or decrease the free, open market price?

Mr. ELLENDER. It would decrease it.

Mr. CAPEHART. It would decrease the price for free open-market wheat?

Mr. ELLENDER. Yes. Take, for example, the small 15-acre wheat farmer. He sells his wheat to his neighbors; he does not comply with acreage allotments, and he is not penalized. If 100 million bushels of wheat are put on the market, as proposed by the amendment, the market is bound to be affected.

Mr. CAPEHART. In the Senator's opinion it would decrease the free open-market price of wheat?

Mr. ELLENDER. It would, in my opinion.

Mr. CAPEHART. And it would have a tendency to decrease the free open-market price of corn and oats and rye and barley, and other feed grain. Is that correct?

Mr. ELLENDER. There is no question about it. It would increase the free market supply and thereby decrease the price. As I said, it would further aggravate the situation.

Mr. President, I relinquish the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 2 minutes remaining.

Mr. ELLENDER. I relinquish the remainder of my time.

Mr. BIBLE. Mr. President, may I inquire whether any other Senators desire to speak in opposition to the amendment? Apparently not at this time.

Mr. YOUNG. Mr. President, I yield myself 2 minutes.

My amendment does not require the Secretary of Agriculture to sell 100 million bushels of wheat. It merely gives him permissive authority to sell it. He would sell the lower quality feed wheat, which we now have in storage to the extent of 900 million bushels. That wheat would be absorbed by a market which is now being supplied to considerable extent by Canadian growers. The bill provides further that the Secretary shall not dispose of it if such disposition would have any adverse effect on other grain markets.

We are disposing of, and have been from time to time, a large amount of corn. Some of that corn I do not believe was out of condition. Historically, the wheat farmers have supplied a large part of the feed market. They have now lost it.

I believe the corn interests here are being a bit unreasonable, if they feel that they should have four separate price supports for corn this year and then refuse to permit the Secretary to dispose of some surplus wheat.

I believe the amendment is entirely reasonable.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will not adopt the amendment. The Senate, in its consideration of the original farm bill, the Senate Committee on Agriculture and Forestry, and the House in their actions this year have shown that they are trying to do something which will assist the feed grain producers in meeting the problem with which they are confronted.

It appears to me that if we adopt the amendment and provide that 100 million bushels of wheat may be sold for feed, we will further depress the open market price of feed grain and corn and wheat. The adoption of the amendment would further complicate the problem which confronts us in our effort to do something about putting feed grain on a comparable basis with corn in the price support program.

I regret that I must differ with the distinguished author of the amendment, because I know he is interested, and has always been interested, in trying to enact legislation which would assist the feed grain producers. From what I have heard on the floor of the Senate this morning, the amendment would have an adverse effect, even though I know the Senator from North Dakota does not intend that his amendment should have that effect.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. YOUNG. I am one Member of the Senate who is certainly opposed to cheap feed grains. It is my firm belief that cheap feed grains mean cheap prices for pork, beef, dairy products, and so forth. If the effect of the amendment was to hurt these producers I certainly would not propose it. I would not propose it if I thought for a moment that it would have any adverse effect on the market of grain or other commodities.

However, we cannot seal up forever all the wheat and not let some of it be used for feed purposes. I do not know of any reason why the Secretary of Agriculture should not be given permissive authority to sell some of the stored wheat. Why encourage the production of more corn and then not permit the sale of any wheat for feed purposes.

Mr. DANIEL. From what I have heard other members of the committee say on the floor and from what I have otherwise learned of the amendment, I believe it would further depress the feed grain market.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. BIBLE. Mr. President, I yield 2 additional minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will follow the advice of the chairman of the committee and of other members of the committee, and vote to reject the amendment.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, one of the most difficult tasks in connection with the farm program was that of trying to work out a

satisfactory solution of the small feed grain problem. The pending amendment, in my opinion, would upset the whole appletart, so to speak. The 100 million bushels of wheat which would be disposed of would be in competition with other small feed grains. There can be no question about that. That would be the effect if 100 million bushels of wheat were thrown into the corn and other feed grains markets. Of course, the effect also would be to depress the market in the fields of other small feed grains.

The amendment was not considered by the committee. We did not study it. Naturally, as one member of the committee, I would hesitate to vote for it, much as I admire the Senator from North Dakota who submitted the amendment, because he and I generally see eye-to-eye on farm problems.

I believe if the amendment is adopted we will have undone all the work of the committee in the effort to solve the feed-grains problem. For that reason, I hope the Senate will not adopt the amendment.

The ACTING PRESIDENT pro tempore. The Chair will state that those opposing the amendment have 3 minutes remaining. Those proposing the amendment have 24 minutes remaining.

Mr. BIBLE. Mr. President, if there are no further requests for time, I am prepared to yield back the remainder of our time, if the proponents of the amendment will yield back the remainder of their time.

Mr. YOUNG. Mr. President, I do not desire to say anything further on the amendment.

The ACTING PRESIDENT pro tempore. The Chair understands that all time has been yielded back on the amendment. The question is on the adoption of the amendment offered by the Senator from North Dakota [Mr. YOUNG].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, and that the time be not taken out of either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 3 minutes on the bill to the Senator from Iowa [Mr. HICKENLOOPER].

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 3 minutes.

Mr. HICKENLOOPER. Mr. President, I am sorry that I have to oppose this amendment. I shall try in 2 minutes to state my reasons.

The whole purpose of our action on the agricultural bill is to assault the problem of surpluses at the source. There may be some disagreement as to the best method of accomplishing this objective. While I realize that the amendment does not provide a compulsory dumping of 100 million bushels of wheat a year, it is permissive, and the pressure would be

tremendous to compel any Secretary of Agriculture to do that, and we could look forward to the probability that he would do it.

In effect, Mr. President, it would add to the already overburdened surplus of the total feed supply. That is what is depressing the market at this time. The adoption of the amendment would only compound the difficulty, in my view. While I have every sympathy with the Senator from North Dakota [Mr. YOUNG], and I am sorry I must oppose this amendment, for the reasons stated I think it would not contribute to relieving the surplus feed supply but would contribute to the overburden and bring upon us more trouble.

Mr. YOUNG. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. YOUNG. If it would compound farm difficulties, why did President Eisenhower and Secretary Benson ask for it?

Mr. HICKENLOOPER. I do not know why. I have not talked to either of them concerning it. I am looking at the question from my standpoint and from the standpoint of adding more cheap feed to an already overburdened supply.

That is my position, Mr. President.

SEVERAL SENATORS. Vote! Vote!

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG]. [Putting the question.]

On this vote the Chair is in doubt.

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Frear	Millikin
Allott	George	Monroney
Anderson	Goldwater	Mundt
Barrett	Green	Murray
Beall	Hayden	Neuberger
Bender	Hennings	O'Mahoney
Bennett	Hickenlooper	Pastore
Bible	Hill	Payne
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Bush	Humphrey	Robertson
Butler	Ives	Russell
Byrd	Jackson	Saltonstall
Capehart	Jenner	Schoeppel
Case, N. J.	Johnson, Tex.	Smathers
Case, S. Dak.	Johnston, S. C.	Smith, Maine
Chavez	Kerr	Smith, N. J.
Clements	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Laird	Symington
Daniel	Langer	Thye
Dirksen	Long	Watkins
Douglas	Magnuson	Wiley
Duff	Mansfield	Williams
Dworshak	Martin, Iowa	Wofford
Eastland	Martin, Pa.	Young
Ellender	McClellan	
Flanders	McNamara	

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from

North Carolina [Mr. SCOTT] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. KNOWLAND. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the junior Senator from North Dakota [Mr. YOUNG], which will be stated.

The LEGISLATIVE CLERK. On page 42, between lines 6 and 7, it is proposed to insert the following new section:

SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURRAY (when his name was called). On this vote I have a pair with the distinguished senior Senator from West Virginia [Mr. NEELY]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the distinguished senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yes." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting the Senator from North Carolina would vote "nay" and the Senator from Arkansas would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting the Senator from Ten-

nessee would vote "nay" and the Senator from Massachusetts would vote "yea."

The Senator from New York [Mr. LEHMAN] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from New York would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 49, nays 31, as follows:

YEAS—49

Alken	Frear	Neuberger
Allott	George	Pastore
Barrett	Green	Payne
Beall	Hill	Potter
Bennett	Hruska	Purtell
Bridges	Ives	Russell
Bush	Jackson	Saltonstall
Butler	Knowland	Schoeppel
Byrd	Kuchel	Smith, Maine
Case, N. J.	Laird	Smith, N. J.
Case, S. Dak.	Langer	Sparkman
Chavez	Magnuson	Watkins
Cotton	Mansfield	Wiley
Curtis	Martin, Pa.	Williams
Duff	McClellan	Young
Eastland	Millikin	
Flanders	Mundt	

NAYS—31

Anderson	Goldwater	Martin, Iowa
Bender	Hayden	McNamara
Bible	Hennings	Monroney
Bricker	Hickenlooper	O'Mahoney
Capehart	Holland	Robertson
Clements	Humphrey	Stennis
Daniel	Jenner	Symington
Dirksen	Johnson, Tex.	Thye
Douglas	Johnston, S. C.	Wofford
Dworshak	Kerr	
Ellender	Long	

NOT VOTING—15

Carlson	Kennedy	Murray
Ervin	Lehman	Neely
Fulbright	Malone	Scott
Gore	McCarthy	Smathers
Kefauver	Morse	Welker

So Mr. YOUNG's amendment was agreed to.

Mr. AIKEN. Mr. President, I call up my amendment identified as "5-16-56-C."

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Vermont will be stated.

The LEGISLATIVE CLERK. On page 69, beginning with line 22, it is proposed to strike out all down through line 8, on page 70.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized for 30 minutes.

Mr. AIKEN. Mr. President, this amendment would strike out a provision of the bill which would partially restore one of the provisions of the bill passed earlier in the year, and to which the President objected in his message. The provision of the bill which this amendment would strike out does not fully restore the dual-parity formula; it freezes transitional parity at its present level, not only for this year, but for 2 more successive years.

I realize as well as anyone else that a parity formula which is designed to meet conditions in one year may not be workable a few years later; and I freely admit that it probably needs some revision. I understand that the Department of Agriculture already is starting work on a revision of the parity formula which it can recommend to Congress. That work will take some time; but it will not take 2 years. Neither is it necessary to freeze the present transitional parity level where it is. There are only 3 crops, of approximately 160, which would benefit by such a freeze. Corn, wheat, and peanuts would receive slight benefits. They are already getting the benefit of a transitional parity price this year, but we should not freeze it at the same level for another 2 years following the calendar year 1956.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AIKEN. I yield.

Mr. YOUNG. I may say that the whole purpose of freezing the transitional parity formula where it is is to prevent the modernized parity formula from going into effect until a new and fair parity formula can be enacted into law.

The Senator from Vermont knows that the dairy groups and almost all other farm groups believe that the modernized parity formula does not represent a fair parity value.

My purpose in freezing it for 2 years was to enable the Department of Agriculture to make a study of parity formulas and to make recommendations thereon to Congress so that Congress could provide for a new parity formula.

I believe perhaps that could be accomplished in a year. Although I should like to see 2 years allowed, if the Senator from Vermont will modify his amendment so as to have it provide that the transitional parity formula shall apply for only 1 additional year (1957), and with the provision that the Secretary of Agriculture shall be required to study these formulas and to make recommendations to Congress early next year, I will be willing to accept the amendment as thus modified.

Mr. AIKEN. Mr. President, as I have said, I think the parity formula needs a rather generous and thorough review and possibly an overhaul. In fact, I do not believe we can establish today a parity formula which will hold good and equitable even 10 years from now. I thoroughly approve of the proposal of the Senator from North Dakota that the parity formula be studied, with a view to revising it, so as to bring it more nearly up to date.

As the situation is today, the producers of certain commodities can make substantial profits by producing on the basis of 60 percent or 65 percent of parity, whereas other producers—and the Senator from North Dakota mentioned the dairy farmers—will very little more than break even at 100 percent of parity. I do not know where the producers of grain crops fit into the picture.

Today, we are trying to work out a farm bill which has many very fine features in it.

If it is agreeable to the Senate, I do not believe any great damage would be done by continuing the present transitional parity for 1 year more. I think that if we were to continue it for 2 years more we might just make a bad matter worse. If we restrict the time to 1 year, I think we are more likely to get a good, thorough review and recommendations for a new formula, than if we were to let it remain in effect for any additional time.

I would change the amendment so as to meet halfway the Senator from North Dakota. It was his proposal to put that in the Senate version of the bill. I would be glad to do that. I do not think the administration would be very happy with it.

Mr. YOUNG. I would not be entirely happy with it, either.

Mr. AIKEN. But in a spirit of compromise, I think that would be meeting each of the two points of view halfway.

Mr. THYE. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. THYE. I am very pleased to have the ranking minority member of the Committee on Agriculture and Forestry state that he is willing to accept a compromise on this amendment.

I had studied the amendment, and had reached the conclusion that I would have to oppose it, because I felt definitely that to go through with the full transitional parity and take the loss involved in the case of both the dairy commodity producers and the wheat producers, would be an injustice to agriculture; and I felt that the Department of Agriculture should make a study.

There is no reason why the Department cannot complete the study within a year's time and submit to Congress a recommendation and a complete explanation of what the parity equivalents are with respect to the various commodities and products. Then we can act intelligently in the following year.

So long as the ranking Republican member of the Senate Committee on Agriculture and Forestry is willing to modify his amendment, I think we have arrived at a good compromise, and have reached a solution which will not require a yea-and-nay vote on the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE of South Dakota. I am happy to see this problem approaching a solution. However, I think there is a slight conflict in the language which appears in the bill, as between the title and the text of the bill. Perhaps there is some technical feature which I do not understand.

I invite the attention of Senators to the fact that, on page 69, lines 22 and 23 constitute the heading "Transitional Parity for Basic Commodities Frozen During 1957 and 1958."

As I understand the colloquy, it is the Senator's intention to strike out, on page 70, in lines 2 and 3, the words "or 1957."

Mr. AIKEN. Mr. President, to meet the views which have been represented by the Senator from North Dakota [Mr. Young] and other Senators, and in the spirit of compromise and endeavor to obtain a good bill, I wish to modify my amendment by striking out the language of the amendment and proposing that there be stricken out, in line 23 on page 69 of the bill, the words "and 1958"; and, in lines 2 and 3 on page 70, the words "or 1957."

I modify my amendment accordingly. The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The question is on agreeing to the amendment offered by the Senator from Vermont, as modified.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. As I understand, the amendment would provide that transitional parity be carried forward 1 more year, through 1957.

Mr. AIKEN. Through 1957 instead of through 1957 and 1958.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. As I understand, that would allow a full year for congressional study.

Mr. AIKEN. That is true.

Mr. MUNDT. It would enable Congress to make a careful study of the parity situation while the transitional parity remained in effect.

Mr. AIKEN. It would give Congress the remainder of this year and another year in which to thoroughly overhaul the parity formula.

Mr. MUNDT. I think that is very satisfactory, and a constructive compromise.

Mr. ELLENDER. Mr. President, I listened to the discussion between the distinguished Senator from Vermont and the distinguished Senator from North Dakota. As I understand, the language in the bill would remain the same, except that the transitional parity would be frozen for 1 year instead of 2.

Mr. AIKEN. It would be frozen where it is for 1 year instead of 2.

Mr. ELLENDER. I have no objection.

The PRESIDING OFFICER. Does the Senator from Vermont yield back his remaining time?

Mr. AIKEN. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the modified amendment offered by the Senator from Vermont [Mr. Aiken].

The amendment, as modified, was agreed to.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. Bible in the chair). The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 30, after the period in line 12, it is proposed to insert the following:

Nothing contained in this section shall prevent the production of such crops on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations, especially of waterfowl for beneficial use.

Mr. MUNDT. Mr. President, if I may have the attention of Senators, I think this amendment can be disposed of in a great deal less time than the 30 minutes allotted to me. This is one of the happy situations in which I am proposing what I hope is a noncontroversial amendment to the agricultural bill.

The Fish and Wildlife Service has called to my attention the fact that, without the definitive amendment which I have proposed, it would have to dispense with the established practice of providing feed for migratory waterfowl on wildlife refuges. The practice which is being followed at the present time, and which has been followed for many years, is that the Fish and Wildlife Service makes a sharecropping contract with farmers of the area, whereby they permit a considerable portion of their grain to remain unharvested and available for the birds, whereas if we were to insist upon the language of the bill, without this interpretive amendment, the Department of Agriculture would then require the Fish and Wildlife Service itself to operate these farm tracts and would bar these wildlife refuges from raising price-supported crops.

Section 125, if not amended, would leave the Department of Agriculture authority to restrict cultivation of lands lying within wildlife refuges. Such an order would have a devastating affect upon the national wildlife refuge program and would probably destroy the progress in this conservation field made over the past two decades. My amendment specifically denies such authority to the Department of Agriculture.

The Department of Agriculture proposed in an administrative letter of February 10, 1956, to the President to stringently regulate the leasing of Government land for cultivated crop use. There is no reason to believe the Department of Agriculture has substantially altered its position at this date. The present language of section 125 leaves the Department of Agriculture a free hand to implement its administrative intention of earlier this year and the section should be amended because:

First. It would result in the closing of our wildlife refuges. Over \$70 million have been devoted to the management and development program to preserve our continental waterfowl resources.

During the calendar year 1954, 597 individual permittees farmed 32,163 acres of Government-owned land for themselves and 26,255 acres for the Fish and Wildlife Service of the Department of the Interior. By sharecropping the Service has been able to maintain a minimum continental waterfowl population in the face of the thousands of acres lost through oil and gas pollution, salt water infiltration of intracoastal canals and waterways, sulfur and other mining pollution, and the tremendous acceleration of marsh and pothole drainage in the United States. By their sharecropping program the Fish and Wildlife

Service has found it can increase the carrying capacity of our original refuge lands nine times. The Service has advised me that sharecropping is the only hope of preserving the waterfowl population and that it cannot continue the operation of important waterfowl refuges if sharecropping is not permitted.

Second. Production of price supported commodities now in surplus supply on wildlife refuges is not statistically important. In 1954 the 597 permittees operating within Federal wildlife refuges harvested 562,851 bushels of grain for their own use. In doing so they made available to waterfowl 500,408 bushels of grain and 9,524 acres of green forage. If the Fish and Wildlife Service were required to operate themselves the farms presently operated on a sharecropping basis it would require additional appropriations of \$5 million and 1,000 new personnel. This would be manifestly impossible from the standpoint of the Federal budget.

The 562,851 bushels of grain raised by producers for themselves on wildlife refuges is statistically unimportant and indeed not a significant factor in the overall accumulation of surpluses.

Third. Approval of the section as it now reads would seriously damage the good name of the Government. In the purchase of each refuge project, some farms had to be purchased or condemned outright, and very few of the farmers bordering upon the approved boundaries escaped without some severance of their holdings. They were assured that, having sold their land to the Government and suffered such damages, grazing and farming opportunities on refuge lands in connection with the waterfowl food production program would be given first to them, on a share crop basis.

Mr. President, as a former State president of the Izaak Walton League in South Dakota and as one who for more than 6 years served on the South Dakota Game and Fish Commission, I know how hard it has been to bring back satisfactory duck populations in this country. Surely we do not want to take a backward step now that our constructive efforts have begun to bring gratifying results.

I have discussed this amendment with the chairman of the committee. I hope he will join me in making this amendment a part of the proposed legislation.

Mr. ELLENDER. Mr. President, section 125 of this bill, which is now sought to be amended by the distinguished Senator from South Dakota, is a section similar to the one which was incorporated in H. R. 12, which was vetoed by the President. When that section was presented to the committee, it was worked over very carefully by the various departments of Government involved. They took the position, after a study of the question, that the bill should be amended so as to assure the maintenance of a satisfactory wildlife population in our national wildlife refuges. Since that is the purpose of the Senator in offering this amendment, I shall have no objection to the amendment. As I understand, the purpose of the amendment is to make section 125 of the bill—which prohibits

leasing of Government lands for the production of surplus price-support crops—inapplicable to crops produced on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations. Section 125, as it appears in the bill with the committee amendment, is identical to a similar section contained in H. R. 12, the language of which was supplied to the conferees by the executive branch, and which had been prepared as a result of lengthy study by an interdepartmental committee. I have been advised by the Department of the Interior that section 125, as it appears with the Senate amendment, will permit production on national wildlife refuges where necessary to maintain satisfactory wildlife populations.

Mr. MUNDT. The purpose is to place the support of Congress behind the practice which already prevails and to make clear by the legislative history of this bill that Congress intends that the prevailing practices be continued.

Mr. ELLENDER. I have no objection to the amendment, Mr. President.

Mr. MUNDT. I should like to add that the chairman of the committee is correct when he says that an amendment similar to this amendment was contained in the vetoed bill. However, I wish to make it clear in the RECORD that the President raised no objection in his veto message to this particular section.

Mr. ELLENDER. I understand that to be the fact. I did not mean to infer that there was any objection on the part of the President.

Mr. MUNDT. I thank the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. My reason for wishing to be recognized, Mr. President, was merely to state that in my opinion the pending amendment is a good amendment. I wish to commend the author of the amendment for having offered it. I believe it improves the bill.

Mr. MUNDT. I thank the Senator, both for his words of commendation and for his support.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back the time in opposition.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I call up my amendment, which lies on the desk, to insert certain language on page 4, line 24.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 24, after the word "grazing," it is proposed to insert the following:

In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is

of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under this contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

Mr. O'MAHONEY. The proposed amendment is substantially the same amendment which was offered by my colleague the senior Senator from Wyoming [Mr. BARRETT] when the former farm bill was under consideration by the Senate. It was worked out by us generally in connection with representatives of livestock growers throughout the country, and constitutes an effort to apply a penalty to prevent the grazing of soil-bank reserve land, so that the soil bank will not increase the supply or population of livestock in the United States as a result of that provision, and thereby create a livestock problem more serious than the one which now confronts the industry.

The amendment was adopted by the Senate when it considered the previous farm bill, and it was sponsored by the following Senators: BARRETT, myself, ALLOTT, BIBLE, CASE of South Dakota, BENNETT, CURTIS, DANIEL, DWORSHAK, GOLDWATER, HRUSKA, KUCHEL, LANGER, MAGNUSON, MALONE, MURRAY, MANSFIELD, WATKINS, and WELKER. That indicates the bipartisan character of the Senators backing the amendment.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARRETT. Is the amendment substantially the same as that which was adopted by the Senate on the farm bill that was previously before the Senate?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. The purpose of the amendment is merely to make certain that lands which are diverted under the two different provisions of the soil bank will not be used for grazing purposes. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. I can see no reason why the language, having been acceptable before, should not be acceptable to the Senate at this time.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ALLOTT. I desire to make my position well known on this amendment. Having joined in sponsoring a very similar amendment during the consideration of the previous farm bill, it seems to me that such a provision as is contained in the amendment is almost a necessary part of any farm legislation which may be passed.

Therefore, I appreciate the opportunity to express my support of the amendment. By all means it should not be omitted as a part of the new act.

Mr. O'MAHONEY. Mr. President, in view of the fact that there are two reserve programs contained in the bill, a similar amendment should be added on page 15, line 8. If there is no objection, I should like to state that amendment and ask that the Senate adopt both at the same time.

I offer an amendment on page 15, line 8, after the word "contract," to add the following words: "including the prohibition of grazing of conservation acreages."

I believe there is no opposition to the amendment, and I hope it may be adopted.

Mr. ELLENDER. I merely wish to state that, as the Senator from Wyoming [Mr. O'MAHONEY] has just pointed out, the two amendments were adopted unanimously when the bill was considered by the Senate several weeks ago. In conference, both amendments were modified to the extent of a 50-percent penalty to be applied to violators. I have no objection to the adoption of the amendments and to taking them to conference in an effort to work out satisfactory provisions.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. The Western Livestock Association of North Dakota and the livestock men of my State generally are unanimously in favor of the amendments.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back my time.

Mr. O'MAHONEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing, en bloc, to the amendments offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendments were agreed to.

Mr. ANDERSON. Mr. President, I call up my amendment "5-17-56-I."

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words "and the provisions of section 344."

On line 23, after the figure "1956", strike out the comma, insert a period, and strike out the remainder of the paragraph.

Mr. ANDERSON. Mr. President, the language now contained in the bill, although it appears to be an attempt to carry over the 1956 acreage into the years 1957 and 1958, rather effectively repeals the provisions now in the Cotton Acreage Act which relates to the principle of growth.

I say that because cotton acreage history will be based upon a five-year period. If we freeze in the States the 1957 and 1958 allotments at the level of the 1956 allotment, we shall have successfully frozen them for 3 of the 5 years, and thereby shall have made it possible to freeze them for the rest of the history of cotton growing in this country, unless the law is finally repealed or some other adjustment made.

I do not believe that was the purpose of the amendment of the committee which my amendment proposes to strike out. I believe it is possible that those who sponsored it thought it could be adopted and that it would not affect history. But we cannot have a provision of this nature in the bill and expect anyone who comes from the States of California, Arizona, New Mexico, or Texas to vote for the bill on final passage. This would be the worst thing that could ever happen to agriculture in those States. There must be some recognition taken of the fact that it would defeat everything that was written into the Cotton Acreage Adjustment Act of 1949.

Mr. President, I have great respect for my able friend from Mississippi [Mr. STENNIS]. He would like to have me withdraw my amendment until there is an opportunity to consider some alternate language which is being proposed.

I ask unanimous consent that I may withdraw my amendment at this time without sacrificing my right to present it subsequently for consideration without the time being taken from either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 50, it is proposed to strike out line 7.

Beginning on page 51, with line 19, strike out through line 19 on page 54.

Mr. WILLIAMS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS. Mr. President, the purpose of my amendment is very simple. It merely strikes out of the bill all those provisions which would for the first time extend mandatory support prices to barley, grain sorghums, oats, and rye. Under the existing law, support prices have been given to those commodities only at the discretion of the Secretary of Agriculture. This bill would compel the Secretary of Agriculture to support those products at 76 percent, or an increase of about 10 percent.

As evidence of what is already being done under the existing law with reference to those commodities, I point out that in the first 7 months of the current fiscal year, the Government has already lost \$30,014,254 on barley; \$36,915,655 on grain sorghums; and it has sustained a loss of \$11,118,217 in supporting oats and \$5,894,803 in supporting rye.

This bill now proposes to write into the law a mandatory provision whereby the Secretary of Agriculture would be compelled from now on not only to continue to support these commodities but also to continue to support them at an even higher level than that which was obtained in the past. The loss would be almost beyond estimation both from the standpoint of the Federal Treasury and from the standpoint of the feeders of livestock and poultry.

Mr. President, I ask for the yeas and nays on the amendment. I will then be willing to yield to any Senator who wishes to speak on this amendment. The question involved is merely whether or not for the first time we are going to extend mandatory support prices to those feed grains.

Mr. President, I ask that the yeas and nays be ordered on this amendment.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I reserve the right again to ask for the yeas and nays.

At this time I yield 3 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, ordinarily I would support the amendment offered by the Senator from Delaware. I think the amendment provides for something that should be done. I am practical enough, however, to know that it cannot be done. I also know that many of us, and many Department of Agriculture officials, administration representatives, and others have been working to find a mutual ground on which we can get together and obtain legislation which will not be harmful to any of the States of the Union and which will benefit many of them.

The proposal which we will make will be offered by the Senator from Florida [Mr. HOLLAND] in an amendment relating to the support prices for corn and feed grains. I shall strongly support the proposal of the Senator from Florida when it becomes the pending question before the Senate. I agree with the Senator from Delaware that, from the point of view of our sections of the country, his amendment would be the best thing. However, I am practical and, in order that New England and the northeast part of the country do not get something which is very bad such as the feed-support provision of the House bill, I feel that I must support the amendment to be offered by the Senator from Florida which I shall join him in offering.

Mr. WILLIAMS. Mr. President, the Senator from Vermont will agree with me, will he not, that the rejection of my amendment would be injurious both to the dairy industry and to the poultry industry in that it would raise the feed cost far above that which prevails under the existing law?

Mr. AIKEN. I do not think anyone can answer that question. We know that the great abundance of feed grains, and their low cost, have encouraged many people to go into livestock and poultry production thereby increasing the competition and depressing the markets for our northeastern producers. I do not think anyone can say what the ultimate advantage or disadvantage would be.

I will say, however, that if I were not trying to view the farm bill objectively, and to work out the best possible bill, my inclination would be to vote for the Senator's amendment. But I think, under the circumstances, it is better to support a proposal which I feel can be approved and which will result in ob-

taining legislation which will be of benefit to nearly all the people of the United States and detrimental to almost none of them.

Mr. DANIEL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DANIEL. Does the Senator realize that in the original farm bill the Senate expressed itself in approving much higher support prices?

Mr. WILLIAMS. Yes; and the President vetoed the bill, and I agreed with him. I recognize that the amendment to be offered by the Senator from Florida is better than the provision already in the bill; however, I do not believe in compromising until we have been defeated. I believe in first ascertaining whether we have enough votes, and in this instance I feel confident of victory.

Mr. President, I ask unanimous consent that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall not object—I think the Senator from Delaware and Senators from areas like his own are entitled to have a chance to go on record in this matter, and the time of the Senate will be saved if we proceed in this way, rather than to have every Senator affected make a speech, or to have a quorum call and another request.

However, I must say that I think the amendment offered by the Senator from Delaware goes much further than the Senate would possibly go, in view of the expressions heretofore made on the floor during the debate on the previous bill, and also in view of the fact that since that time price supports have been granted for noncomplying corn in the commercial corn areas, which make even more serious the plight of the small grain producers.

So while I am not at all agreeing with the amendment of the distinguished Senator from Delaware, I feel that his request is meritorious, and I hope it will be granted.

Mr. DANIEL. Mr. President, I wish to make the record clear that my failure to object to the unanimous-consent request a moment ago was simply to expedite the matter. I shall not object to the unanimous-consent request, but I certainly oppose the amendment offered by the Senator from Delaware because I think it would do great harm not only to the proposed legislation, but also to the farmers of the country who raise corn and other feed grains.

Mr. CASE of South Dakota. Mr. President—

Mr. WILLIAMS. My request is merely to have a record vote on the amendment. I do not see how there could be any objection to that.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I had hoped to ask the Senator from Vermont [Mr. AIKEN] what the alternative was. I have heard rumors that an alternative amendment would be offered following whatever action might be taken on the amendment offered by the

Senator from Delaware. I was wondering if we would save time by having a record vote if the amendment is doomed to failure. I do not know whether it is or not; I have heard rumors that it was.

Mr. WILLIAMS. The only thing which would cause the amendment to be doomed to failure would be that it did not receive enough votes to be adopted. We will not know about that until we have had an opportunity to vote on it.

Mr. CASE of South Dakota. How Senators might vote on the amendment of the Senator from Delaware might be affected by what the alternative proposal might be. If another amendment is to be offered, perhaps we should know something about it before we commit ourselves on the amendment offered by the Senator from Delaware.

Mr. HOLLAND. Mr. President, simply for the information of the Senator from South Dakota, the Senator will find on his desk a mimeographed copy of the amendment which will be offered after the disposition of the pending amendment—that is, if the pending amendment be defeated by a vote of the Senate. The amendment proposed to be offered by the Senator from Florida for himself and on behalf of other Senators, including the Senator from Vermont [Mr. AIKEN], will by no means strike from the bill all provisions favorable to the small grain producers, but will afford far better treatment of them if the bill shall be passed.

The amendment offered by the Senator from Delaware would, in effect, strike from the bill entirely provisions affecting the producers of small grains, and leave them subject to the conditions of the present law.

I hope the vote may be taken promptly; and then, if I am permitted to do so, I shall be glad to offer my amendment, a copy of which is on the desk of all Senators.

Mr. CASE of South Dakota. If the amendment offered by the Senator from Delaware should be rejected, would there then be any occasion to offer the amendment which the Senator from Florida intends to propose?

The PRESIDING OFFICER. The 10 minutes of the Senator from Delaware have expired. Does the Senator from Delaware yield himself additional time?

Mr. WILLIAMS. I do not yield time to Senators to debate the amendment if they are opposed to it.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Florida.

Mr. WILLIAMS. Mr. President, may we have the yeas and nays ordered on my amendment?

The PRESIDING OFFICER. The Senator from Delaware has previously made a unanimous-consent request that the yeas and nays be ordered on his amendment. Is there objection to that request?

Mr. CASE of South Dakota. Mr. President, I do not think I am being arbitrary or unreasonable in trying to ascertain whether or not we shall be foreclosed an opportunity to vote on another amendment in connection with this matter. The Senator from Florida was about to answer that question.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. If the amendment offered by the Senator from Delaware, which is now under consideration, should be rejected by the Senate, would not the Senator from Florida have a right to offer his amendment, a copy of which has been printed and is lying on the desk of each Senator, and which relates to a much more definite treatment of the problem than does the amendment of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Florida may offer his amendment.

The Senator from Florida was recognized for 5 minutes.

Mr. HOLLAND. I simply wanted to bring out that fact, which I think was all that stood in the way of the granting of the request of the Senator from Delaware for a yeas-and-nays vote.

I am perfectly willing to discuss my amendment now, but I do not think this is the proper time to do so. The Chair has advised the Senate that in the event of the rejection of the pending amendment offered by the Senator from Delaware, the Senator from Florida could offer his amendment. I hope that that ruling will now lead to a granting of the request of the Senator from Delaware.

Mr. CASE of South Dakota. Mr. President, I withdraw my reservation of objection.

The PRESIDING OFFICER. In order to clarify the record, there is pending a unanimous-consent request by the Senator from Delaware that the yeas and nays on his amendment be ordered. Is there objection to that request? If not, the yeas and nays are ordered.

The Chair recognizes the Senator from Delaware, who has approximately 20 minutes remaining.

Mr. WILLIAMS. I yield 1 minute to the senior Senator from New York. [Mr. IVES].

[Mr. IVES asked and received unanimous consent for the printing of a matter in the Appendix.]

The PRESIDING OFFICER. Is there any further request for time on the amendment offered by the Senator from Delaware?

The time in opposition to the amendment is in control of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated earlier during the debate on this measure, I do not suppose there is a provision in the bill which has given us more difficulty than has the provision affecting feed grains and corn. I cannot believe that the Senate will refuse to enact some kind of legislation which will protect the feed grain producers, in the light of what has been done for the producers of corn.

I understand there is in the offing a compromise amendment which will be offered by the Senator from Florida. So far as I am concerned, as chairman of the Committee on Agriculture and Forestry, I, of course, will try to maintain

those provisions which were incorporated in the bill by the committee. But if the compromise is acceptable to the Senators from the grain States, and an agreement can be reached, the fight I intend to make for the committee provisions on feed grains will undoubtedly be fruitless. I realize that.

However, I am very hopeful that the amendment offered by the distinguished Senator from Delaware will be rejected, so that in due time the Senate may have an opportunity to consider the small grains sections, as provided in the bill, or as may be provided by the amendment which I understand is to be offered by the distinguished Senator from Florida.

The PRESIDING OFFICER. Does the proponent of the amendment, the Senator from Delaware, yield back the remainder of his time?

Mr. WILLIAMS. I am ready for a vote on this amendment unless some other Senator wishes to speak.

Mr. President, I ask unanimous consent that there may be a quorum call, with the time for the quorum call not being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll, with the understanding that the time for the quorum call will not be charged to either side.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I was wondering if the Senator from Louisiana wished to discuss the amendment further.

The PRESIDING OFFICER. The attention of the Senator from Louisiana is called to the inquiry of the Senator from Delaware. The question is, Does the Senator from Louisiana care to discuss the amendment further?

Mr. ELLENDER. No, Mr. President. If the Senator is willing to yield back his time, I shall do likewise.

Mr. WILLIAMS. Mr. President, I shall yield back the remainder of my time, but first I should like to take about 1 minute in further explanation. The issue here is very simple—it boils down to the question as to whether or not the Senate wants to authorize mandatory support prices for all types of feed grains. The adoption of this new principle will substantially raise the feed cost to all poultry and dairy farmers without any corresponding benefits. This year we have already lost \$30 million on barley, \$36 million on grain sorghums, \$11 million on oats, and \$5 million on rye. How much more do the producers of these commodities want?

Let us not write into the law that the Secretary shall have to continue to support these commodities, not at his discretion, but at mandatory price supports much higher than at present.

I am confident that such action would seriously affect both our poultry industry and the dairy industry in the North-

east. I urge the adoption of this amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Millikin
Allott	George	Monroney
Anderson	Goldwater	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bridges	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Long	Thye
Douglas	Magnuson	Watkins
Duff	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Wofford
Ellender	McCarthy	Young
Ervin	McClellan	
Flanders	McNamara	

The PRESIDING OFFICER (Mr. BIBLE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called Williams amendment, designated as "5-17-56-G." Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. The parliamentary inquiry is this: Should the Williams amendment be agreed to, would the Aiken-Holland compromise amendment then be in order, or would the so-called Daniel amendment, dealing with the subject of feed grains, then be in order?

The PRESIDING OFFICER. The Chair is advised that if the Williams amendment were agreed to, an amendment offered by the Senator from Florida [Mr. HOLLAND], or any other Senator on the same subject matter could not be challenged on the ground of inconsistency with the action taken in agreeing to the Williams amendment. A point of order would not lie against such an amendment.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. On this question the yeas and nays have been ordered,

all time has been used or yielded back, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SPARKMAN. On this vote I have a pair with the Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mr. HILL. On this vote I have a pair with the Senator from North Carolina [Mr. SCOTT]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from New York [Mr. LEHMAN]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from New York would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

On this vote, the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from Kansas [Mr. CARLSON] would vote "nay" and the Senator from Idaho [Mr. WELKER] would vote "yea."

The result was announced—yeas 39, nays 44, as follows:

YEAS—39

Allott	Dirksen	Martin, Pa.
Barrett	Duff	Millikin
Beall	Dworshak	Pastore
Bender	Flanders	Payne
Bennett	Frear	Potter
Bricker	Goldwater	Purtell
Bridges	Green	Robertson
Bush	Ives	Russell
Butler	Jackson	Saltonstall
Byrd	Jenner	Smith, Maine
Capehart	Knowland	Smith, N. J.
Case, N. J.	Kuchel	Watkins
Cotton	Magnuson	Williams

NAYS—44

Aiken	Hickenlooper	Monroney
Anderson	Holland	Mundt
Bible	Hruska	Murray
Case, S. Dak.	Humphrey	Neely
Chavez	Johnson, Tex.	Neuberger
Clements	Johnston, S. C.	O'Mahoney
Curtis	Kerr	Schoeppel
Daniel	Laird	Smathers
Douglas	Langer	Stennis
Eastland	Long	Symington
Ellender	Mansfield	Thye
Ervin	Martin, Iowa	Wiley
George	McCarthy	Wofford
Hayden	McClellan	Young
Hennings	McNamara	

NOT VOTING—12

Carlson	Kefauver	Morse
Fulbright	Kennedy	Scott
Gore	Lehman	Sparkman
Hill	Malone	Welker

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment offered by the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ELLENDER. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I send forward amendments and ask that they be stated. I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1, on page 4.

On page 8, beginning with line 4, strike out through line 5 on page 10.

On page 12, line 21, strike out "other feed grains, \$175,000,000."

On page 25, beginning with the comma in line 1, strike out to and including "1956" in line 4.

On page 51, beginning with line 19, strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

Mr. HOLLAND. Mr. President—

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield so that I may request that the yeas and nays be ordered?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, at the proper time I shall suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, this amendment is offered on behalf of the Senator from Vermont [Mr. Aiken] and myself. It has been generally discussed with all Senators with whom we have been able to discuss it this morning, because it represents a very serious and determined effort to bring together the thinking of the Members of the Senate on the important feed grain question on which it has just been demonstrated there is considerable division in the Senate.

Mr. President, the reason why there are several amendments incorporated into one is that it is necessary to make various places in the bill conform to the purposes of the amendment.

The purposes of the amendment, if I may outline them in three brief sentences, are these:

First, to fix a price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, at 76 percent of parity price for the commodities as of April 15, 1956.

To explain that provision, Mr. President, the intent is to put the small feed grain producers on a parity with the producers of corn, the noncomplying producers of corn, in the commercial corn area, who were granted a price support on April 15, 1956, so that there will be given by that provision of the amendment, as we believe, equality this year as between corn and small grains, so far as that can be done by legislation.

The second provision of the amendment is applicable to the corn produced in the noncommercial area. It follows the same philosophy as that expressed in the first provision which I have just mentioned.

The price support for noncomplying corn producers in the commercial area, when it was fixed, established a new principle which had not been effective theretofore. The amendment provides that noncomplying corn producers in the commercial area will be placed on the same basis as corn producers outside the commercial area. So, the second purpose of the amendment is to grant 82½ percent of the level of price supports for grain in the commercial corn-growing areas to the corn producers in the noncommercial area. That is about five-sixths of the support price.

Mr. KERR. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. KERR. I do not quite understand the explanation which the Senator has given with reference to corn in noncommercial corn States.

Mr. HOLLAND. Mr. President, I recognize that this is a very complex subject, and I shall do my best to explain it clearly. I ask that the Senator from

Vermont [Mr. Aiken], the Senator from New Mexico [Mr. Anderson], and other Senators who are quite familiar with the subject matter follow my explanation.

The present law provides for corn producers in the noncommercial areas a price support at 75 percent of the prevailing price support given to compliance corn in the commercial areas.

Mr. KERR. On the allotted acres?

Mr. HOLLAND. That is correct. The effort is to work out some kind of parity of treatment between corn in the noncommercial areas and the noncomplying corn producers in the commercial areas who never had a price support until it was recently announced by the Secretary of Agriculture.

Mr. KERR. Mr. President, will the Senator from Florida yield for another question?

Mr. HOLLAND. I yield.

Mr. KERR. Is the Senator saying that if his amendment is adopted all corn producers in the noncommercial areas will have a support price at the same level as that of the noncomplying corn producers in the commercial areas?

Mr. HOLLAND. They will have support at the level of about five-sixths of the support level for complying producers in the commercial areas, and that will amount to almost the same thing which the Senator has said.

Incidentally, we followed the same philosophy as that which was followed in fixing 76 percent in the first branch of the amendment which I have just mentioned, because there it was a matter of making the price supports for small grains as nearly as possible the same as were granted to the noncomplying corn producers in the commercial corn areas.

Mr. KERR. If I read the language correctly, it leaves a different impression with me. As I read it in paragraph (d), subparagraph (2), it provides:

(2) The level of price support for corn produced outside the commercial corn-producing area—

I take it, that is in States other than the corn-producing States.

Mr. HOLLAND. In counties not in the commercial areas.

Mr. KERR. I read further—

for any crop for which base acreages are in effect.

Have there been base acreages in effect in the noncommercial corn-producing areas?

Mr. HOLLAND. The amendment represents an effort to give comparable treatment to noncommercial corn to that which is given small grains on which the price support is fixed at 76 percent of parity.

Mr. KERR. I understand that, but I am trying to get it clear as to whether if the producer of corn in the noncommercial areas is to receive the benefit of this amendment he must observe acreage limitations.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the answer to the question of the Senator from Oklahoma is that the producer would not have to observe acreage limitations

at all. The reference to the crop which is under acreage limitation is an effort to relate back to corn. Corn in the commercial areas will be under acreage limitations, but areas outside the commercial areas need not be under acreage limitations, under the language of the amendment.

Mr. KERR. In other words, the producer in the noncommercial areas would have acreage limitations but would receive approximately the same support level as would the corn producer in the commercial areas?

Mr. ANDERSON. That is correct. The corn producer outside the commercial area is not complying with acreage limitations, and the corn producer inside the commercial area is not complying. Therefore, they would receive the same support.

Mr. HOLLAND. One of the reasons for the provision is that another portion of the bill allows the corn producers in the commercial areas the right by referendum to vote whether to terminate acreage control. If acreage control is applicable in the commercial areas and noncompliance corn is supported, then the treatment, which we have discussed, is to be given corn in the noncommercial areas.

Of course, if there is no price support there, there is not going to be any corn price support anywhere.

Mr. KERR. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. KERR. Then, as has been stated by the Senator from New Mexico, the real effect with reference to support prices is to put the producer of corn in the noncommercial areas in the same position as the noncomplying corn producer in the commercial areas?

Mr. HOLLAND. As nearly as may be; and in doing that, we are following the precedent of the first part of the amendment with reference to treatment given to the producers of small grains.

Mr. KERR. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. My understanding is substantially the same as that stated by the Senator from Florida. Translating it into dollars and cents, my understanding is that the corn of noncompliers in the commercial areas would be supported at the \$1.25 national average. Applying the five-sixths formula to 86½ percent would mean that the corn producer would be supported this year, in noncommercial areas, at about \$1.24. So that makes the price substantially the same.

Mr. HOLLAND. It sounds like that arithmetically, but the way it would be applied, it would not exactly equal that. I confess that the experts on the Department staff would have to explain that. But it comes very close to the figure which the Senator from South Dakota has stated.

Mr. CASE of South Dakota. I think an amendment of this nature is needed to avoid chaos and confusion, particularly in States which have counties

which are in a commercial corn area, and counties which are not in a commercial corn area.

Mr. HOLLAND. The question of the Senator, as to whether the amendment relates to 1957 must be answered in the affirmative, but it also, I understand, applies to later years. This provision of the amendment is a permanent change in the law and will apply to later years.

Mr. CASE of South Dakota. But would it require in 1957, a producer of feed grain or corn in a noncommercial corn county to put some land into the soil bank?

Mr. HOLLAND. This particular amendment would not. I have said earlier that this particular amendment, if adopted, would eliminate the acreage reserve provisions of the soil bank in their application to small grains.

The amendment would leave effective to small grains the conservation reserve provisions.

A sizable number of Senators have worked out this amendment together, and we are fully persuaded that, in view of the scarcity of data, now available, and of the indicated attitude of the administration not to approve an additional 100 million acres of land under any control basis, the allowing of 2 years, at least—1956 and 1957—to work out a better program, with the other provisions, as described, is the very best that we can hope to obtain in this situation.

We have conferred not only with one another, not only with Senators who are strongly for higher price supports for small grains, as, for instance, the distinguished Senator from Texas [Mr. DANIEL], and others, but we have conferred with the Department of Agriculture experts and directly with the Secretary of Agriculture, in an effort to get any suggestions we could from him. We have tried to save as much as possible for the small-grain producers. We think that there is no indication whatever that a sound program can be worked out for acreage reserve participation by the small-grain producers in the first 2 years.

If the developments in 1956 are quicker than are anticipated, Congress can take additional action early in 1957. As I see it now, this is the best that can be done at this time to take care of the small-grain producers.

I do not have to call to the attention of the Senator from South Dakota the fact that the sponsors of this amendment opposed the amendment of the Senator from Delaware, which was just rejected, which would have entirely eliminated the possibility of giving any relief at all to the producers of small grains. We are trying to get for them everything we think it is reasonable for them to have, based upon the present data available and considering the present confused situation.

The fact that corn is divided artificially into two areas, a commercial area and a noncommercial area, and that that division does not adapt itself readily to any of the small grains, makes the problem a very complicated one to work out.

Mr. CASE of South Dakota. It is a very complicated problem, particularly in a State like mine, where a portion of

the State has counties in the commercial corn areas, while immediately adjacent there are counties which are not. We have three classes for corn growers.

I think an amendment of this kind is necessary, regardless of how one stands on the question of high or low price supports. If there is to be a corn-support program, it is necessary to have an amendment such as this to preserve the relationship between corn grown on unallotted acres, unrestricted, and the small grains, which can be used as a substitute for corn as feed.

Mr. HOLLAND. I share that conviction, and so do the other Senators who have collaborated in this matter. We are glad to have our purpose so clearly stated and approved by the Senator from South Dakota.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the Senator from South Dakota [Mr. CASE] made a very good statement just now, when he said this is the sort of amendment which could be supported regardless of whether one favored high supports or flexible supports or rigid supports, because the amendment would provide an opportunity for the Department of Agriculture to keep careful track of the acreage allotted to oats, rye, barley, and grain sorghums for the growing years 1956 and 1957. That ought to provide sufficient information to allow these grains to come under the acreage reserve program by 1958.

Mr. CASE of South Dakota. I hope there will be a record vote on the amendment, because I think the votes of Senators on the previous amendment might be misunderstood.

The Senator from Florida will recall that prior to the other vote I reserved the right to object in order that the Senate might be assured that the amendment now pending would be offered, and there would be no alternative. I think the votes of some Senators on the other amendment might be misunderstood unless an opportunity were afforded to record their votes on this amendment.

Mr. HOLLAND. I thank the Senator from South Dakota; I think he has made a good point which ought to be considered.

The third objective of the amendment is that if price support is made available for the 1957 crop of corn in the commercial corn-producing areas to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghum, barley, rye, oats, and corn produced outside the commercial corn-producing area respectively, at a level not less than 70 percent. The price shall never go to less than 70 percent, and it shall be fixed in the same way as 76 percent was fixed for this year, namely, by relating that price support to the price support which is given to the noncomplying corn in the commercial areas.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. I should like to add a word to what the Senator from Florida

is saying. I was one who helped to prepare the amendment. I believe it will work no hardship on anyone, but will be helpful to many feed grain producers in the country. In fact, I think it will leave the price of feed grains about where it is now on the open market, although I cannot be exactly sure of that. The price of feed should stay approximately where it is now. If it goes higher, it will not be because of the amendment, but because of market trends. The price seems to be at a fairly good level at present. If it can be maintained at nearly that level, I believe it will be helpful, and will assure the feed grain producers of America of a good price. Also, it will not be harmful to the livestock, dairy, and poultry producers.

Mr. HOLLAND. I appreciate the comment by the Senator from Vermont. I think every Senator has received telegrams from producers in the field of dairy products, in the field of livestock, and in the poultry field who are disturbed about the provisions in the bill, but not about this amendment, which I feel is moderate enough to give grave concern to none of them.

One purpose of the amendment, among others, is not to permit the small grain producers to slide down, down, and down to deeper distress, but to give them fair treatment, as we see it, along with the corn producers.

Mr. AIKEN. The livestock and poultry producers were understandably disturbed about the provisions of the House bill which raised the supports much higher than the amendment which is now being offered by the Senator from Florida, and also perpetuated high feed-grain supports by tying them to the support price for commercial corn. The compromise offered is a considerable reduction from the supports which were required by the House bill.

Mr. HOLLAND. The Senator from Vermont is correct.

I now yield to the Senator from New Mexico, after which I shall yield to the Senator from North Dakota.

Mr. ANDERSON. The Senator from Vermont has not asked me to say this. I hope that if I misstate his position, he will correct me. There might be some persons who would wonder why the Senator from Vermont, on the last vote, voted "no" on the Williams amendment. I assume he voted "no" on that amendment because he knew that this perfecting amendment, which he was offering jointly with the Senator from Florida, would be called up next.

Under the circumstances, I think the Senator from Vermont acted very generously in trying to get these provisions before Congress, and those areas which produce feed grains are indebted to the able Senator from Vermont for taking the position which he did on the Williams amendment.

Mr. AIKEN. I thank the Senator from New Mexico.

Mr. President, I wish to say that the amendment now being offered by the Senator from Florida is as fair a proposition, both to the consumers and producers of grain, as we can work out. It is better to have it come about this way

than in a one-sided manner, where one type of producer might make gains temporarily, but a year or two later might wake up and find he had lost a good share of his market.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. I think this amendment represents a fair compromise. I would have much preferred to have seen higher price supports provided for feed grains. I firmly believe that cheap feed grains are detrimental to the dairy industry, to the cattle industry, to the hog industry, and to the poultry industry. So I was strongly for the original provision in the bill which was vetoed by the President recently.

Under the provision in the original bill, there were 90 percent supports. The feed grain producers would have received 85 percent supports, which is 15 percent higher than they are getting now, which is 70 percent. In order to get that higher percentage, they would have had to put into the soil bank program 15 percent of the acreage they normally plant to feed grains. It would not have been easy for the feed grain producers to put that extra acreage into the soil bank, but I thought it would be worth while for them since they would get 15 percent higher supports.

Under the pending proposal feed grain producers will get 76 percent of parity for this year's crop which is 6 percent more than the scheduled 70 percent supports.

Mr. HOLLAND. That is for 1956.

Mr. YOUNG. For 1956. For 1957 they will get a minimum of 70 percent.

Under the House provision and the provision which it is now proposed to strike from the bill, feed grain producers would get 5 percent less than price supports for corn in the commercial area, if they put 15 percent of their acreage into the soil bank. So next year, if price supports for corn should be 80 percent of parity—and I think that is probably all they will be, with corn production increasing—feed grain producers would get only 75 percent of parity. But in order to get that 75 percent of parity, they would have to put 15 percent of their acreage into the soil bank program. That would mean additional regimentation and land measuring, and I do not think it would be worth while to get that little higher support price in return for the regimentation to which they would be subjected.

I think the compromise is the best we can get through Congress this year.

Mr. HOLLAND. Mr. President, I appreciate greatly the statement of the Senator from North Dakota, because if anybody has fought, clear up to the highest requirement of courage, to have adopted a conviction held by him that high price supports should be provided, he has done so. I want it to appear in the RECORD that I appreciate his statement, because I think it is in line with the fact that the pending proposal is a fair compromise.

Mr. KNOWLAND. Mr. President, will the Senator yield for a request that the yeas and nays be ordered.

Mr. HOLLAND. I yield.

Mr. DANIEL. Mr. President—

Mr. KNOWLAND. The request, if granted, will not foreclose the offering of a substitute, as I understand.

Mr. DANIEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator will state it.

Mr. DANIEL. Is the minority leader's interpretation correct that ordering the yeas and nays will not forego any amendment?

The PRESIDING OFFICER. The Chair is informed that is correct.

Mr. KNOWLAND. Mr. President, on the amendment of the Senator from Florida I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, I had agreed to yield to the senior Senator from North Dakota. May I ask the chairman of the committee to be prepared to grant me more time from the time on the bill, because I am approaching the end of my allotted time, or perhaps I may have time granted by the minority leader.

Mr. KNOWLAND. Mr. President, I shall yield 5 additional minutes to the Senator from the time on the bill, if he needs it.

Mr. HOLLAND. Mr. President, I now yield to the senior Senator from North Dakota.

Mr. LANGER. Will the Senator please state for the RECORD the difference between the House provision for price supports and the pending amendment?

Mr. HOLLAND. I have been working so hard to bring about a compromise affecting certain provisions of the Senate committee bill that I have probably forgotten the details of some of the original provisions in the House bill. I should prefer to have the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], answer that question, and I ask unanimous consent that I may yield to him.

Mr. ELLENDER. I shall give an answer to that question in a short while.

Mr. HOLLAND. The chairman of the committee has assured me that he can answer the question and will do so later in the debate. In our committee we made a great many changes in the provisions of the House bill. We have been discussing for a long time changes proposed to the bill as reported by the Senate committee. I would not care to try to state with complete accuracy the provisions of the House bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Georgia.

Mr. RUSSELL. Under the present support program as defined by the Secretary of Agriculture, corn in the commercial corn-producing area, where there is compliance, is supported at \$1.50 a bushel. If the farmer does not wish to comply, he can plant all he wishes, and the Secretary of Agriculture, for the first time, rewards noncompliance by supporting that corn at \$1.25, whereas

farmers outside the commercial corn area have a support price of only \$1.12.

Mr. HOLLAND. Seventy-five percent of the prevailing price support in the commercial area.

Mr. RUSSELL. The Secretary not only rewards noncompliance in the historically Republican farm Corn Belt States, where there have been reports of some disaffection, but he discriminates against producers in the noncommercial area by allowing them only \$1.12 a bushel.

Does the amendment perpetuate that injustice, or discontinue it, or deal with it?

Mr. HOLLAND. The amendment corrects the injustice.

In the second provision of the amendment, to be found at about the eighth line down, the distinguished Senator from Georgia will see that the level of price support for corn produced outside the commercial corn-producing area is fixed at 82½ percent of the level of price support for corn in the commercial corn-producing area, when there is compliance. Eighty-two and one-half percent is about five-sixths. One dollar and twenty-five cents is five-sixths of \$1.50. So it seeks to give equal treatment.

Mr. RUSSELL. That is for 1956. How about 1957?

Mr. HOLLAND. For 1957 the same provision is continued. It will be a permanent change in the law.

Mr. RUSSELL. This is the first time any Department of Agriculture or Secretary of Agriculture has sought to reward noncompliance with the laws enacted by the Congress. I am glad this amendment seeks to correct that injustice. Once the election to take place next November is behind us, I hope the Secretary of Agriculture will go back to the previous philosophy, and not reward noncompliance, but place all commodities on the same basis.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I was assured of additional time from the minority leader.

Mr. BRICKER. Mr. President, does the Senator from Florida need additional time on the bill?

Mr. HOLLAND. Yes.

Mr. BRICKER. Will 5 minutes suffice?

Mr. HOLLAND. That will be sufficient at this time.

Mr. BRICKER. I yield 5 additional minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 additional minutes.

Mr. SCHOEPPEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. Regarding the amendment submitted by the Senator from Florida, I wish to say that, having been in the Chamber and having listened to the remarks of the distinguished Senator from North Dakota [Mr. Young], I certainly concur in the position he has taken in reference to this amendment.

I desire to state to the distinguished Senator from Florida that, originally, in

view of the situation which has existed in the sorghum grain areas and in some other areas in respect to the related grains, I had some misgivings about what the bill proposed.

I realize that this amendment provides certain equitable considerations for the sorghum grain producing areas and the areas which were very badly disturbed about the situation which heretofore existed. I think the amendment constitutes a fair compromise and a fair approach to a solution of the problem.

I should like to have the Senator from Florida know that I hope the amendment will prevail, because—as the Senator from North Dakota has said—it will permit the farmers affected to get away from many of the unfortunate and unpleasant details involved in working out the situation. So I feel that the farmers could live with this amendment, and that they will be satisfied with it.

Mr. HOLLAND. I thank the distinguished Senator; and on behalf of the Senator from Vermont [Mr. AIKEN] and other Senators who sat in on the attempt to reach this compromise, as well as on behalf of myself, I accept the compliment he has given. We are grateful to the Senator from Kansas.

Mr. DANIEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. DANIEL. I also wish to compliment the Senator from Florida and the other Senators who have worked on this provision, although it is less than some of us feel should be adopted.

As a matter of fact, some Members of this body, including the junior Senator from Texas, have prepared an amendment to increase the support price with acreage limitations.

I should like to refer to the last part of the amendment submitted by the distinguished Senator from Florida. It seems that his amendment would provide that in the future the Secretary would support small grains on a comparable basis with corn, but the last part reads:

Taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price support programs, and such other factors as he deems pertinent.

As I understand, all that language, except the last eight words, is included in the provision of the present law concerning factors to be considered by the Secretary in figuring price supports. Is that correct?

Mr. HOLLAND. Yes, that is correct; in the existing law there are eight different factors, and all of them are represented in the smaller number stated in this amendment. However, the Senator from Texas is also correct in stating that the last eight words of the amendment, namely, "and such other factors as he deems pertinent," are not found in existing law.

Mr. DANIEL. It seems that those eight words, which are new to this type of legislation, would allow the Secretary to take into consideration factors not

specified by the Congress. So those eight words might constitute very broad authority.

I wonder whether the Senator from Florida would have any objection to the elimination of those words, or whether they play any important part in his amendment.

Mr. HOLLAND. So far as I am concerned, it seems to me that they do not play an important part; but on this point I yield to the Senator from New Mexico [Mr. ANDERSON], who is quite familiar with these provisions.

Mr. ANDERSON. Mr. President, I was going to suggest to the Senator from Florida that he strike them out, and that he add the word "and" in the third line above, preceding the words "the ability to dispose of stock," and so forth.

I think the Secretary of Agriculture has sufficient discretion as regards the other factors, and I do not believe he needs to take into consideration "and such other factors as he deems pertinent."

Mr. HOLLAND. Mr. President, I appreciate the expression on the part of the Senator from New Mexico.

I should also like to have the Senator from Vermont [Mr. AIKEN] express himself on the proposed deletion of the last eight words, which I think can be deleted without doing violence to the purpose of those of us who worked on the amendment.

The PRESIDING OFFICER (Mr. MONROE in the chair). The time of the Senator from Florida has expired.

Mr. BRICKER. Mr. President, I yield an additional 5 minutes to the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Ohio.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I had not considered this matter before. However, certainly the last eight words of the amendment are not the meat of the amendment; and it seems to me that undoubtedly the amendment would be fully effective if those words were omitted. I would have no great feeling about the matter either way.

Mr. HOLLAND. I thank the distinguished Senator from Vermont. That is my own feeling about it.

Mr. AIKEN. Certainly more responsibility would be put on the Congress, and less on the Secretary.

Mr. DANIEL. Yes. In view of that, I wonder whether the Senator from Florida would consider modifying his amendment by striking out the last eight words thereof.

Mr. HOLLAND. Mr. President, with the consent of the Senator from Vermont and the Senator from New Mexico, I am glad to modify my amendment by striking out the last eight words and by inserting a new word—the word "and"—between the words "therefor" and "the", which are the first two words in the third line from the bottom of my amendment. I so modify my amendment.

The PRESIDING OFFICER. Inasmuch as the yeas and nays have been ordered on the question of agreeing to

the amendment of the Senator from Florida, unanimous consent will be required in order to modify the amendment at this time.

Is there objection to the proposed modification of the amendment of the Senator from Florida?

Mr. HOLLAND. Mr. President, I hope there will be no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the amendment of the Senator from Florida is modified accordingly.

Mr. HOLLAND. Mr. President, I have outlined the meaning of the amendment as fully as I could. It is submitted in a sincere desire to bring together those who feel there should be no legislation in this field and those of us who feel that the producers of small grains are in a very distressed situation and that their situation should not be ignored at the time of passage of this bill.

The Senate has already gone on record by a very considerable vote in favor of giving more relief than this amendment would give these producers. The bill reported by the committee would give them more relief. But I believe this amendment is the most we can hope to get together on; and I say that after having discussed the matter with many Members of various points of view, as well as with those in the administrative branch of the Government.

Mr. AIKEN. Mr. President, will the Senator from Florida yield 1 minute to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. I think we must also take into consideration the fact that it has been reported by some Members of the House that if the modifications made to the bill by the Senate are not too far out of line with the thinking of the House, our amendments might be accepted by the House, rather than to have the bill go to conference, and thereby entail a long delay. I cannot conceive that any amendments or changes thus far made by the Senate in the bill would warrant any long delay in presenting the bill to the President and having it enacted into law.

Mr. HOLLAND. I thank the Senator for his contribution; and I join him in the sincere hope that the bill, as passed by the Senate, will be acceptable to the House, and will be enacted into law without the necessity of a conference.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I had to step off the floor for a moment, and I wish to be sure about two things: As the amendment is drawn, it will not require the producers of small grain to comply either with an allotment system or with the acreage reserve; is that correct?

Mr. HOLLAND. The Senator from Colorado is correct.

Mr. ALLOTT. I thank the Senator very much.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. DANIEL. Mr. President, I call up my amendment identified as "5-17-56-K"——

Mr. LANGER. Mr. President, will the Senator from Texas yield for a moment to me? The distinguished Senator from Louisiana [Mr. ELLENDER] promised to answer a question I asked a while ago. I ask unanimous consent that he be allowed to answer that question at this time.

Mr. ELLENDER. I intended to say a few words in respect to the amendment of the distinguished Senator from Florida. Will the Senator from Texas withhold the offering of his amendment?

Mr. DANIEL. Yes. I yield to the chairman of the Committee on Agriculture and Forestry with the understanding that I may have the floor after he completes his discussion on his own time.

The PRESIDING OFFICER. Does the Senator from Louisiana control time against the amendment?

Mr. ELLENDER. Yes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. I yield myself 15 minutes.

As I have stated on the floor of the Senate on various occasions, I do not know of any subject which came before us that required more time and prompted more delay than the proposed legislation dealing with corn and the various small-grain crops. The committee worked hard and earnestly in order to place in the bill a provision which would be acceptable. I believe we succeeded in that by incorporating in the bill the language which now appears.

I am a realist. In the light of the recent vote upon the Williams amendment, I fear that the language which is now in the Senate bill will in all probability be deleted and the so-called Holland amendment substituted.

I point out to the Senate that the House bill provided mandatory supports for feed grains, which would include oats, barley, rye, and grain sorghum; but to qualify for such supports the farmer who produces small grains would have to plant only 85 percent of his base acreage.

Because the President, in his veto message, directed the Secretary of Agriculture, to support noncompliance corn in the commercial area, the committee felt justice required that similar treatment be accorded the producers of small grains. So, the Senate Committee on Agriculture and Forestry placed the small-grain grower in the same category, as nearly as possible, as the producers of corn in the commercial area who do not comply with base acreages. For 1956 they would be entitled to support at the same percentage of modernized parity as noncompliance corn, and would not be subject to acreage requirements. What we did for 1957 was simply to provide that in order for a producer of small grains to obtain price support, as fixed in this bill, it would be necessary for him to place in the soil bank an amount equal to 15 percent of his feed grain base acreage. This is the same treatment as is now accorded corn.

As Senators know, the bill would increase the total base acreage for corn from 43.3 million to 51 million acres;

farmers in the commercial corn area can plant their entire base acreage, and obtain price support at 86.2 percent of parity, provided, of course, that they place the equivalent of 15 percent of their base acreage in the soil bank. Of course, they could participate in the acreage reserve, only if the Secretary of Agriculture this year placed that program, in effect, for corn.

Since the corn grower is able to get price support at 86.8 percent of parity, or \$1.50 a bushel on production achieved on his entire base acreage, we felt that, in justice to the producers of small grains, they should have similar treatment, that we should, in a measure, relate their price-support program to that of corn. That is all the bill does. Since the corn growers, under the provisions of the bill as now presented to the Senate, can plant 100 percent of their corn base, and get the full 86.2 percent price support, provided they place the equivalent of 15 percent of their corn base in the soil bank, I felt, and the majority of the committee felt, that similar treatment should be accorded to the small grain grower.

What do we have in the amendment which we are now considering? The amendment would strike out the provisions for a feed grain acreage reserve program; and would take away mandatory price supports for feed grains in 1957 unless support is made available for noncompliance corn. It would retain the price support of small feed grains at 76 percent of parity in 1956, which is the equivalent of the price-support accorded noncompliers in the commercial corn area. It would also retain in the bill the same price-support level for corn in the noncommercial area, as provided in the House bill, which is 82½ percent of the commercial corn level, but it would make it applicable to 1958 and 1959, as well as 1956 and 1957. Finally, it provides price support for feed grains and noncommercial area corn at not less than 70 percent of parity in 1957 if in that year corn producers not complying with their acreage limitations are given price support.

As I stated on several occasions when H. R. 12 was still before us, it is my considered judgment that we shall have less feed grain produced only if acreage is curtailed—if those who produce feed grains are required to place a certain percentage of their land in the soil bank. Under the committee amendment during 1957, those who produce small grains would be encouraged to restrict their plantings. The amendment now proposed would remove any incentive for acreage reduction in 1957.

Without acreage controls in 1957, the cost to the Government for these programs will be much more than if we said to the producer of the small grains, "In order to make yourself eligible for price support, you have to place in the soil bank the equivalent of 15 percent of your base acres."

We fix in the bill what the base acres would be, the average of the years 1953, 1954, and 1955.

As I recall the figures, this would mean an average planting of all the small grains of about 63 million or 64 million

acres. When, in 1953 and 1954 the administration set price support for small grains at 85 percent of parity, the acreage was around 61 or 62 million acres.

Last year, the support price for small grains was cut back from 85 percent to 70 percent of parity. Under the theory of flexible price supports, one would conclude that the farmers would plant less acreage, since the price of the feed grains was reduced. I say the farmers do not seem to practice what Mr. Benson preaches; instead of reducing acreage, they increased their acreage by some 7 million acres.

What we are doing now is making the sky the limit for the planting of small grains all over the country.

With price supports in effect for producers of corn in the commercial area, whether they plant within their allotted acres or not, we are going to have so much feed grain produced that I predict there will not be enough storage facilities to take care of the vast amounts which will be placed under law.

Mr. President, as I have said, I am a realist. I know that since the Williams amendment was defeated by only 5 or 6 votes, the Holland amendment will probably be adopted.

However, let us remember that the Holland amendment the producers of small grains will have no incentive to do other than plant all the acres they desire and still receive a support price of 76 percent in 1956 and possibly an even higher support level in 1957.

I would say that the House of Representatives is adamant in its desire to sustain the provisions now carried in the House bill.

The PRESIDING OFFICER. The Senator has 30 minutes available. He has yielded himself 15 minutes, which have now expired. Does he desire to yield himself additional time?

Mr. ELLENDER. I yield myself 5 additional minutes.

The adoption of the Holland amendment will place the whole question in conference, and we may end up with a conference provision that will permit excess planting.

Under the provisions of the House bill—which I prefer—for a grower of a grain to be able to get price support, he must plant only 85 percent of his base acreage. The Senate bill has changed that to 100 percent, provided the farmer places the equivalent of 15 percent of his base acreage in the soil bank.

Mr. President, I have attempted, as chairman of the committee, to explain both the House version and the Senate version of the feed grain provisions, so as to make the RECORD clear why I believe that fewer acres will go into the soil bank under the Senate bill. The House provisions make it mandatory for at least 15 percent of a farmer's base acres to go into the soil bank, and further, that his total feed grain plantings not exceed 85 percent of his base acreage. Under the Senate bill he can plant 100 percent of his base acreage. Under the Holland amendment, the sky will be the limit as far as feed grain plantings are concerned. I predict that next fall or next spring someone will come to Congress and ask for more money with which to build

warehouses in order to store the enormous amounts of grain that will be produced under the Holland amendment.

I am not trying to infer that Senators, in voting for the amendment, are motivated by selfish reasons. However, everyone knows that the poultry producers are very eager to have cheap feed grain. The dairy producers are very eager, also, to have cheap feed. The dairy producers, particularly those who operate in the northeastern part of the country, are able to protect the prices of their milk under marketing agreements and orders. Of course, they want cheap feed; it means that much more profit to them.

If the Holland amendment is adopted, it—together with the Young amendment that was adopted a few minutes ago, dumping onto the market 100 million bushels of wheat—feed grains will be cheap, and those people will be the beneficiaries of a windfall, wheat that has cost the Government as much as \$2.50 a bushel will be sold at the price of other feed grains, or about \$1.50 a bushel.

That is what will happen, Mr. President. I have worked with the wheat-growers, and I want to help them. There is an International Wheat Agreement by which much wheat has been disposed of—I have supported that program. Here, there is another gadget which has been proposed by the administration, to make it possible to dump 100 million bushels of wheat on the market in competition with corn and other feed grains.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The time of the Senator from Louisiana has expired. He has 10 minutes remaining which he can use.

Mr. DANIEL. Mr. President, I should like to call up an amendment for the purpose of offering it as a substitute for the Holland amendment as modified.

The PRESIDING OFFICER. The Chair will advise the Senator from Texas that all time has not been used in opposition to the amendment which is now pending. If the Senator from Louisiana will yield back his remaining 10 minutes—

Mr. ELLENDER. Mr. President, I yield back the remaining time at my disposal on the Holland amendment. Am I to understand that I will still have more time after the distinguished Senator from Texas offers his amendment?

The PRESIDING OFFICER. The Senator from Louisiana will have only the time allotted on the final passage of the bill.

Mr. ELLENDER. Will not the Senator from Texas have 30 minutes on his substitute amendment?

The PRESIDING OFFICER. That is correct.

Mr. ELLENDER. That is what I have in mind, Mr. President. I yield back the remaining time available to me.

The PRESIDING OFFICER. The Senator from Texas has been recognized.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may explain my amendment without its being read by the clerk.

The PRESIDING OFFICER. Is there objection to waiving the reading of the

amendment offered by the Senator from Texas? The Chair hears none. Without objection, the amendments will be considered en bloc as a substitute for the pending amendment of the Senator from Florida, and the amendments of the Senator from Texas will be printed in the RECORD.

The amendments offered by Mr. DANIEL for himself and other Senators are as follows:

On page 3, beginning with line 24, strike out "other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats)."

On page 4, line 7, after the comma insert "and for the 1956, 1957, 1958, and 1959 crops of feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats (also hereinafter referred to as 'the commodity'))."

On page 8, lines 4 and 5, strike out "each year in which an acreage reserve program will be in effect for corn" and insert in lieu thereof "each of the years 1956, 1957, 1958, and 1959."

On page 8, lines 14 and 15, strike out "1957 and subsequent years in which an acreage reserve program will be in effect for corn," and insert in lieu thereof "each of the years 1957, 1958, and 1959."

On page 51, lines 19 to 21, in lieu of the matter printed in linetype insert the following: "for each of the years 1956 and 1957."

On page 51, lines 21 to 23, strike out the matter printed in italic.

On page 52, strike out the matter printed in italic in lines 1 to 6.

On page 52, line 14, strike out the matter printed in italic.

On page 52, lines 15 and 16, strike out "corn produced outside the commercial corn-producing area."

On page 52, line 16, strike out "and oats" and insert in lieu thereof "oats, and the 1957 crop of corn produced outside the commercial corn-producing area."

On page 52, line 23, restore the matter printed in linetype.

On page 53, lines 6 to 16, in lieu of the matter printed in linetype, insert the following: "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats at 76 percent of the parity price for the commodity to any producer who meets the requirements of eligibility therefor where (A) such producer does not meet the additional requirements for price support prescribed by this subsection, or (B) there is no acreage reserve program in effect for such crop."

The PRESIDING OFFICER. The Senator from Texas is recognized for 30 minutes.

Mr. DANIEL. Mr. President, I shall not take anywhere near that much time. I merely wish to say to the Senate that my amendment would be more in line with the provisions written into the bill as it was passed by the House and sent to the Senate.

My amendment would establish a price support for grain sorghums, barley, oats, and rye at 5 percentage points less than for corn in the commercial corn-producing area during each of the years 1956 and 1957, for those farmers who place 15 percent of their base acreage into the soil bank.

In other words, Mr. President, the principal feature of this amendment is what has already been explained by the Senator from Louisiana, in that it would

require 15 percent of the base acreage heretofore devoted to those grains to be placed in the soil bank program and, thereby, reduce the production of grain.

The amendment changes the committee bill by making the same provision applicable to both years instead of only to 1957, and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language with respect to feed grains except that during 1956 farmers who do not place 15 percent of their base acreage into the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year.

Mr. President, I, too, am a realist and understand from the vote taken on the Williams amendment that the attitude of the Senate, perhaps, is to vote for and to support the Holland amendment. I hope, however, that when the bill goes to conference, the conference committee will consider trying to work out a program affecting small grains which will be more nearly in accord with the House provisions; that is, similar to the amendment which I have offered in the nature of a substitute for the Holland amendment which would provide for an increased percentage of parity this year for farmers who reduce their base acreage 15 percent. If that is not possible, I trust provision will, at least, be made for a reduction of acreage next year and an increase in the percentage of parity, which will be an incentive for the grain farmers to reduce their acreage.

Mr. President, I agree with most of what the Senator from Louisiana has said concerning the merits of the Senate committee version, and, certainly, with what has been said in the House report concerning the merits of the small-grain provision contained in the House bill. I realize that the Senate will probably not adopt my substitute, but I am offering it on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR], in order that it may be in the record, so the conference committee may consider it, and in the hope that when the bill is finally passed the provision with reference to feed grains may be nearer to what the House has provided.

Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL] as a substitute for the amendment offered by the Senator from Florida [Mr. HOLLAND], as modified.

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Florida, as modified.

All time has been used or yielded back, and the yeas and nays have been ordered.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McClellan
Allott	George	McNamara
Anderson	Goldwater	Millikin
Barrett	Green	Monroney
Beall	Hayden	Mundt
Bender	Hennings	Murray
Bennett	Hickenlooper	Neely
Bible	Hill	Neuberger
Bricker	Holland	O'Mahoney
Bridges	Hruska	Pastore
Bush	Humphrey	Payne
Butler	Ives	Potter
Byrd	Jackson	Purtell
Capehart	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Schoeppel
Clements	Kerr	Smathers
Cotton	Knowland	Smith, Maine
Curtis	Kuchel	Smith, N. J.
Daniel	Laird	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Wofford
Flanders	McCarthy	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND] for himself and the Senator from Vermont [Mr. AIKEN]. The amendment will be stated by the clerk for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1 on page 4.

On page 8, beginning with line 4, it is proposed to strike out down to and including line 5 on page 10.

On page 12, line 21, it is proposed to strike out "other feed grains, \$175,000,-000."

On page 25, beginning with the comma in line 1, it is proposed to strike out down to and including "1956" in line 4.

On page 51, beginning with line 19, it is proposed to strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in

relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Massachusetts [Mr. KENNEDY] would each vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from North Carolina [Mr. SCOTT].

If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

YEAS—73

Aiken	Green	Murray
Allott	Hayden	Neely
Anderson	Hennings	Neuberger
Barrett	Hickenlooper	O'Mahoney
Bender	Hill	Pastore
Bennett	Holland	Payne
Bible	Hruska	Potter
Bricker	Ives	Purtell
Bridges	Jenner	Robertson
Bush	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capehart	Knowland	Schoeppel
Case, N. J.	Kuchel	Smathers
Case, S. Dak.	Laird	Smith, Maine
Cotton	Lehman	Smith, N. J.
Curtis	Long	Sparkman
Dirksen	Magnuson	Stennis
Douglas	Mansfield	Symington
Duff	Martin, Iowa	Thye
Dworshak	Martin, Pa.	Watkins
Eastland	McCarthy	Wiley
Ervin	McClellan	Wofford
Flanders	McNamara	Young
George	Millikin	
Goldwater	Mundt	

NAYS—14

Beall	Ellender	Kerr
Butler	Frear	Langer
Chavez	Humphrey	Monroney
Clements	Jackson	Williams
Daniel	Johnson, Tex.	

NOT VOTING—8

Carlson	Kennedy	Scott
Fulbright	Malone	Welker
Gore	Morse	

So the amendment offered by Mr. HOLLAND for himself and Mr. AIKEN was agreed to.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3073)

to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, which were to strike out all after the enacting clause and insert:

Repeal of certain provisions of law so as to permit continuance of operations; effect of rates

SECTION 1. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes," approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

Establishment of rates; system rate base; rate of return; services

SEC. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of \$20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of \$1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the

date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

Exemption from gross receipts tax; continued exemption from mileage and certain other taxes

Sec. 3. (a) As of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: "Provided, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:"

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-603 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

Motor vehicle fuel taxes

SEC. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, ch. 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor-vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Co.'s system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor-vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor-vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor-vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor-vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor-vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such

payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor-vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

Snow removal

SEC. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "Streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7-614), is hereby repealed.

Conversion to bus operations

SEC. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

Evidences of indebtedness

SEC. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

Notification of acceptance by the Capital Transit Co.; effective date of the foregoing provisions

SEC. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

And to amend the title so as to read: "A bill to make provisions for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BELL, and Mr. CASE of New Jersey conferees on the part of the Senate.

THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. McNAMARA. Mr. President, certain developments have plunged the District of Columbia transit situation into even greater gloom than it has been for the past year. A conference committee now will have the task of compromising two diametrically opposed views.

The only conclusion I can reach is that the Capital Transit crowd is determined to create so much confusion that it will win back its disreputable franchise by default. One move in this direction was the timing of a so-called proposal by one part of the Capital Transit gang to buy out the other. The net result would be the same poor service to the customers.

I will not go so far as to say this offer was a phony. But I believe it was made with \$3 bills, and I do not have much faith in the value of \$3 bills. The people of Washington do not, either. All they want is a good transit system, and they will not get it under the Capital Transit gang, no matter what smokescreen is raised.

Mr. President, I ask unanimous consent that three editorials on the transit matter from the Washington Post and Times Herald be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 16, 1956]

ISSUE BEFORE THE HOUSE

Daniel W. Bell's letter to Chairman HARRIS, of the House Commerce Subcommittee, once more revives hope of continued private operation of Washington's transit system. As president of the American Security & Trust Co., Mr. Bell is a man of substantial influence in the community. His proposal that Capital Transit be reorganized, that the Wolfson stock be purchased by local interests at a reasonable price, that the company's franchise be restored, and that it continue to provide transit service under local private management will have a strong appeal to many groups. Much experience in recent months, however, has emphasized the vast gulf that separates hopes and plans from actual achievements in this sphere.

The unfortunate thing about Mr. Bell's plan is that it is so tardy and that it is vague on a number of essential questions such as the purchase price. Despairing of continued private operation of an acceptable transit system here, the Senate recently passed a bill to create a public transit authority. The House is scheduled to vote today on a measure to restore the Capital Transit franchise and set up a new regulatory system. It is obvious from his letter that Mr. Bell intended to bolster the flagging support for that bill or something similar to it. Yet Members of Congress cannot intelligently base their votes on a plan to which many directly interested groups are not yet committed.

On several occasions action on the public authority bill has been postponed by last-minute efforts to find a private operator. In each case the results were disappointing. As a result of this experience, the Senate modified its bill so as to create an interim public authority which would continue the search for a private operator while temporarily providing transit service after the expiration of the Capital Transit franchise in August. This bill has the great advantage

of backing up the search for a private operator with authority for public operation if necessary. We cannot help thinking that the Bell plan is more compatible with the Senate bill than with the House bill coming up for action today.

The worst vice of the House bill is its tendency to undermine utility regulation in the District. It would give Capital Transit a special standing before the Public Utilities Commission. It would freeze the rate base and the rate of return and enable the company to frustrate efforts of the PUC to control transit rates in the public interest. Regardless of who owns Capital Transit, Congress should not thus destroy effective transit regulation. In fairness, it could not do so without giving similar privileges to other utilities, thus heading back toward the grave abuses of 50 years ago.

Congress could reasonably relieve a reorganized transit company of the gross receipts tax, but other features of the existing House bill would not be acceptable to the Senate, the District Commissioners, or, in all probability, the White House. Consequently, passage of the bill in its present form would serve only to delay an ultimate solution. Even if a restoration bill were desirable and could be passed in acceptable form, the company could scarcely be reorganized in time to take over service by August 14. Several weeks will be required to finish legislative action, then 45 to 60 days would be required to get permission from the stockholders. No margin of time would be left to handle the many details that such transactions always involve.

In our opinion, the Bell proposal should encourage the House to abandon the so-called restoration bill and accept the measure already passed by the Senate. This would give an ample opportunity for Mr. Bell and his associates to work out the details of their plan and at the same time permit the proposed interim authority to provide transportation if necessary until a new private system is ready to operate.

[From the Washington Post and Times Herald of May 17, 1956]

THE WOLFSON BILL

As debate on the Capital Transit restoration bill began in the House yesterday, it became increasingly clear that the measure offers no solution of Washington's transit dilemma. The whole purpose of the bill is to keep Capital Transit in operation and to give it assurance of highly preferential treatment as a public utility. Undoubtedly the bill has gained strength since Daniel W. Bell, president of the American Security & Trust Co., advanced a plan to buy the Wolfson interest in the company. But the Bell plan has not disposed of the basic issues.

We begin with the assumption that the city would like to have a well-regulated but privately operated transit system freed from the control of Louis E. Wolfson. But we do not believe that the House bill would produce this result. In the first place, it is tailor-made for the continuation of the Wolfson management. Actually it is the transit company bill with some modifications. If a new private management is to take over, very different legislation should be passed.

In the second place, there is no real prospect that this legislation could become law. One effect of the bill would be to undercut utility regulation in the District. We do not believe for a moment that this would be acceptable to the Senate, the President, the people of the District, or for that matter, to the people of the country. Congressmen delude themselves if they think that they can vote to hamstring regulation in the District and not have that public disservice jump out at them in their own constituencies. From the national as well as the local point of view, this bill is so bad that it must not be

enacted whether or not Mr. Wolfson remains in the picture.

If time were not of the essence, the House might begin afresh and write a new bill to encourage the Bell proposal. Unfortunately, however, further delay would plunge the Capital into another transportation crisis in August. Congress should not for a moment contemplate adjournment for the political season without having settled this problem or having given the local authorities the power to do so.

One other factor must be carefully weighed. If Capital Transit should be continued as a going concern, the community would lose the notable advantage of starting afresh with an all-bus system. Private buyers would presumably find it necessary to take over all Capital Transit equipment along with its obligations—including the obligation to repave the streets when the streetcar rails are removed. The cost to the city that would result from continuation of the present system is estimated as high as \$17 million. Probably this is excessive, but the economic advantages of taking only that portion of Capital Transit equipment which would fit into a modernized system would certainly be substantial.

The city might be willing to forego these possible economies if there were at hand some practical means to assure the reorganization of Capital Transit and to avoid scuttling the regulatory system. But in the absence of some feasible plan for that purpose, the public interest points strongly in the direction of the Senate bill. Although that measure would set up an interim public authority, it would also be an invitation to private capital to take over the new system to be created by the authority. In our opinion, a group of Washington citizens could pick up from the interim authority with much better chances for success than if they absorbed all the liabilities of the existing transit company. Perhaps Mr. Bell, who we are sure has the community interest at heart, could revise his plans so as to make them conditional on the granting of a new franchise.

In any event, the approaching emergency must be met, and the only feasible means of meeting it seems to be enactment of the bill already passed by the Senate.

[From the Washington Post and Times Herald of May 18, 1956]

POLES APART ON TRANSIT

Passage of the Capital Transit restoration bill by the House throws a heavy burden on the conference committee which will try to reconcile this backward-looking measure with the Senate bill for a public authority. Obviously no compromise between the two measures is possible in the ordinary sense of the word. You can't mix public and private operation in the same system. Yet some type of legislation will have to be forthcoming. Congress could not simply let these conflicting measures die because of the great difficulty of reconciling them.

Two courses appear open to the conferees. They could agree to the Senate bill with some modifications. This would be justified by the offensive nature of the bill passed by the House and by the 161-to-172 vote on the motion to send the bill back to committee. The strong vote for recommitment shows the repugnance felt by many Members of the House for an abject surrender to the Wolfson interests as contemplated in the measure that finally passed. In addition to restoring the Capital Transit franchise which Congress revoked for compelling reason last August, the bill would lift the company virtually out of the regulatory orbit of the Public Utilities Commission. The Senate bill, by contrast, would enable local officials to meet the coming emergency through an interim authority, which could be supplanted

by a private operator if one could be found. It offers a workable plan for both the immediate need and the long-range future.

The alternative course would be to amend the House bill drastically so as to restore normal regulation of the transit system and permit a restoration of the franchise contingent upon reorganization of the company. This would be, of course, a bid for Daniel W. Bell to go ahead with his plan under which local investors would buy out the Wolfson interests. The trouble with this alternative is that it would carry no assurance that the Bell plan would be pushed to fruition and accepted by the stockholders. If the conference committee should turn to this course, therefore, it should certainly make allowance for the District Commissioners to meet any emergency that might arise through failure of the reorganization plan.

This really points back to the interim authority of the Senate bill. How can a crisis for the city be avoided without some such agency to step into the breach while a new transit system is taking shape? Legislators on both sides of the controversy should be able to see this pressing aspect of the problem and to make certain that it is met in any compromise that may be effected.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ANDERSON. Mr. President, I call up my amendment, identified as "5-17-56-I."

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words "and the provisions of section 344."

On line 23, after the figure "1956", it is proposed to strike out the comma, insert a period, and to strike out the rest of the paragraph.

Mr. ANDERSON. Mr. President, I yield myself 5 minutes.

I yield to the junior Senator from Mississippi [Mr. STENNIS] such time as he may desire.

Mr. STENNIS. Mr. President, I appreciate the Senator's yielding to me. I asked him to yield for the purpose of offering a substitute to his amendment. The Senator from New Mexico offered an amendment striking out—

The PRESIDING OFFICER. Is there objection to the offering by the Senator from Mississippi of a substitute for the amendment offered by the Senator from New Mexico? The Chair hears none.

Mr. STENNIS. The Senator from New Mexico offered an amendment with reference to certain features of cotton acreage. For myself and on behalf of my colleague [Mr. EASTLAND], I offer as a substitute for his amendment an amendment which will not change the history of cotton acreage of any State. It will not take from any State any acreage in either of the years 1957 or 1958, to which these amendments both apply. It merely provides that the cotton acreage reduction within any State shall not exceed 1 percent for either the year 1957 or 1958. There will be certain reductions that will apply—

The PRESIDING OFFICER. The Chair will ask the Senator from Mississippi if the amendment has been stated.

Mr. STENNIS. It has not been read. I ask that it be read, Mr. President.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Mississippi, which has been offered for himself and the senior Senator from Mississippi [Mr. EASTLAND] as a substitute for the amendment of the Senator from New Mexico.

The LEGISLATIVE CLERK. It is proposed to strike out the matter printed in italics in lines 19 and 20, page 42; and in lieu of the matter printed in italics in lines 23 and 24 on page 42, and lines 1 and 2 on page 43, insert the following:

Provided, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 percent, such State allotment shall be increased so that the reduction shall not exceed 1 percent per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments.

Mr. STENNIS. Mr. President, continuing, very briefly, with the explanation, I wish to say the only effect of the amendment is to provide that in the application of the distribution of the national acreage to each State for the years 1957 and 1958, no State shall lose over 1 percent of its State acreage. That means there will necessarily be some small increase in the total amount of acres, nationally. But for the 2 years added together, in round numbers it will not be over 1 percent of the national acreage, which was the 1 percent discussed and more or less agreed on this year in the course of the debate on the preceding farm bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. How many acres will be involved over this period, in the 1 percent?

Mr. STENNIS. In round numbers, 175,000 each year, or 350,000 for the 2 years. But when the amounts for the 2 years are added together, by no means will the amount exceed 1 percent for each year.

Mr. JOHNSON of Texas. I thank the Senator from Mississippi.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. The figure the Senator from Mississippi used was 175,000 acres. Actually, some of that acreage is acreage these States would normally gain.

Mr. STENNIS. Yes.

Mr. ANDERSON. The net amount of acreage which might be added is approximately 100,000 the first year and possibly 50,000 or 70,000 the second year.

Mr. STENNIS. That is correct.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi permit me to assure the Senate that the States of Texas, Arizona, California, and New Mexico would not lose any of the acreage

they normally would gain or earn under the present law.

Mr. STENNIS. The Senator from New Mexico has correctly stated the situation, and that is clearly the language of the amendment, namely, those States would not lose any of the acreage they would normally gain under present law.

Mr. ANDERSON. And the second aspect is that certain other States would not be cut more than 1 percent; but the difference between what they are to be cut and what they would have been cut without the amendment would not be used in establishing history.

Mr. STENNIS. That is correct; no history would be affected by adoption of this amendment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I have talked over this matter with the Senator from Mississippi, the Senator from New Mexico, and some of the other Senators who are interested in it. In the committee, I submitted an amendment calling for a freeze of acreage in 1956, 1957, and 1958. At this time I am ready to agree to the amendment offered by the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from South Carolina, and I thank him for his work on this very important subject matter.

I also thank the Senator from New Mexico for his attitude toward this substitute amendment.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. When the Senator has used up the time available to him, I shall be glad to yield back the remainder of the time available to me, if either the majority leader or the minority leader—whichever one has control of the time—is willing to yield back the remainder of the time under his control.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

Mr. BIBLE. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. BIBLE. As the Senator from Mississippi knows, the State of Nevada has been vitally interested in the apportionment of 1,000 additional acres for cotton in the State of Nevada. Is there anything in the amendment which in any way would affect that particular apportionment?

Mr. STENNIS. No; this amendment would not affect the situation in Nevada in reference to its acreage.

Mr. BIBLE. I thank the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am ready to yield back the remainder of my time, if the remainder of the time under the control of the other side is also yielded back.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. I ask unanimous consent to have printed at this point in the body of the RECORD, a table showing the effect of this amendment, so there

may be no misunderstanding as to how it will work out.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated acres gained or lost in 1957 resulting from the proposed acreage amendments by States

State	Estimated cotton acres saved by holding national allotment at 1956 level for 1957	Estimated acres saved by holding State acreage at 1956 level for 1957	Acres gained or lost resulting from freeze of State allotment compared floor under national allotment	Acres gained or lost resulting from amendment that no State lost more than 1 percent in 1957 compared with 1956 allotment	Acres gained in 1957 by operation of 1 percent amendment compared with 1956 allotment (17,391,304 acres)	Percent change in acreage allotment in 1957 retaining 1956 national acreage allotment
Alabama.....	88,613	+119,638	+31,025	-10,251	20,774	-3.03
Arkansas.....	124,420	+153,099	+28,679	-14,245	14,434	+5.11
Arizona.....	32,195	+14,645	-17,550	+17,550	None	-2.01
California.....	72,152	+45,111	-27,041	+27,041	None	+3.46
Florida.....	3,338	+2,863	-475	-475	None	+1.28
Georgia.....	78,814	+97,852	+19,038	-9,032	10,006	-2.11
Illinois.....						
Kansas.....					None	
Kentucky.....	670	+958	+288	-78	210	-3.69
Louisiana.....	53,181	+67,456	+14,275	-6,109	8,166	-2.34
Maryland.....						
Mississippi.....	142,745	+187,891	+45,146	-16,466	28,680	-2.74
Missouri.....	33,389	+36,863	+3,474	-3,474	None	-0.92
Nevada.....						
New Mexico.....	16,380	+12,005	-4,375	+4,375	None	+2.44
North Carolina.....	41,898	+55,780	+13,882	-4,839	9,043	-2.87
Oklahoma.....	73,923	+90,219	+16,296	-8,456	17,840	-1.93
South Carolina.....	63,559	+76,709	+13,150	-7,262	5,888	-1.81
Tennessee.....	49,995	+52,605	+2,610	-2,610	None	-0.46
Texas.....	672,985	+533,868	-139,117	+139,117	2 None	+1.88
Virginia.....	1,463	+2,158	+695	-171	524	-4.06

¹ 21,000 acres in 1958.

² 36,251 acres in 1958.

NOTE.—Estimates based on 10,000,000 bale marketing quota for 1957.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the substitute offered by the Senator from Mississippi [Mr. STENNIS] for himself and his colleague [Mr. EASTLAND] to the amendment of the Senator from New Mexico [Mr. ANDERSON]. [Putting the question.]

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from New Mexico, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SMITH of New Jersey. Mr. President, I am submitting three amendments at the request of the State Department and the administration.

The PRESIDING OFFICER. Does the Senator from New Jersey wish to have his amendments stated?

Mr. SMITH of New Jersey. Mr. President, the first amendment I call up is identified as "5-15-56-F."

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4, on page 34.

may be no misunderstanding as to how it will work out.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

obliged to dispose of their current production at almost any price. The United States would be required by law to follow prices downward.

The U. S. S. R. exports only a small amount of cotton which ordinarily does not affect world market prices. Section 203, however, would create a situation in which the U. S. S. R. could determine the world price. Small lots of Russian cotton sold at price reductions in Liverpool, for example, could force the United States to meet the Russian prices.

Mr. President, I may add parenthetically that recently Russia has acquired a great deal more cotton from Egypt through barter for arms supplied to Egypt. The memorandum continues:

Other countries perforce would have to follow the United States lead. Thus the cotton-exporting countries of the free world would be at the mercy of the Communists. Their resentment, however, with considerable logic, could be directed toward the United States policy of meeting every reduction in price, as specified in the proposed bill.

Any attempt by other countries to escape the downward spiral by restoring to bilateral agreements, conducted without regard to market prices, would set back our hopes for a multilateral trading system—the only system which offers increasing opportunities for private trade and the exporting of a wide range of United States products.

This section would make the prices under the 1-million bale program a ceiling, even though substantial quantities of United States cotton are already being sold for export on a bid basis at considerably higher prices under the present program. Some 224,000 bales have been sold on bids received last week at prices several cents per pound higher than the ceiling which this section would arbitrarily impose.

In view of the circumstances I have outlined above, the Department of State has no other recourse than to protest vigorously against section 203.

I submit the memorandum as a statement from the Department of State, from the standpoint of our foreign policy.

My amendment would strike out section 203 on page 33 of the bill, from line 4 down through line 4 on page 34. This provision is known as the Eastland amendment.

On this question I have been requested to ask for the yeas and nays. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered. Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield. Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested.

Mr. KNOWLAND. Mr. President, I withdraw the suggestion of the absence of a quorum, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Has the Senator from New Jersey completed his statement?

Mr. SMITH of New Jersey. I have completed my statement on this matter. I am glad to present it as the position of the administration, which I have checked carefully with the White House and the Secretary of State.

Mr. ELLENDER. Mr. President, this amendment would strike out section 203

Mr. SMITH of New Jersey. Mr. President, I yield myself not to exceed 10 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. President, this amendment would strike from the bill the so-called Eastland amendment. Inasmuch as I am a member of the Foreign Relations Committee, I have been requested by the State Department to present the position of the State Department on the Eastland amendment, from the standpoint of possible international complications.

To clarify the matter, I desire to read to the Senate the position of the State Department, as evidenced by a memorandum sent by the Secretary of State to the President, at the White House, and approved by the President. The subject of the memorandum is "Section 203 of H. R. 10875."

The memorandum reads as follows:

This section, if enacted into law, could seriously injure the economies of Mexico, Brazil, Turkey, Pakistan, Peru, Egypt, and other countries, and hence would jeopardize our relations with them.

Section 203 would require the sale of upland cotton in world markets at prices no higher than those offered by other exporting countries for comparable quality. In no event could prices be higher than they had been under the 1-million bale program completed earlier this year.

The stated objective is to regain a fair share of the world cotton market. The result, however, would almost surely be a progressive and severe decline in world prices for cotton. Other exporting countries are unable to hold stocks. They would be

of the bill, which provides for an export sales program for cotton and requires the Secretary to sell sufficient cotton at world prices to restore the United States historical share of the world cotton market. For the marketing year beginning this August this section would require cotton to be offered at prices not in excess of the minimum prices for which cotton was sold under the export program announced August 12, 1955. The minimum sale price under the program, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents a pound.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from page 7 of the report of the committee.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Export sales program for upland cotton (sec. 203): This section directs Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to offer its cotton for sale at prices not in excess of prices at which other exporting countries are offering comparable qualities of cotton. It further provides that during the marketing year beginning August 1, 1956, Commodity Credit Corporation shall offer cotton for sale for export at prices not in excess of the minimum prices accepted under the special cotton-export program announced on August 12, 1955. The special cotton-export program provided for the sale of not more than 1 million bales of cotton having a staple length of fifteen-sixteenths of an inch and shorter. The first offers were opened on January 3, 1956, and the sale of the 1 million bales was completed with offers opened on February 28, 1956. The minimum sale price, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents per pound. Minimum acceptable prices for other qualities were also determined on a port basis and by using the premiums and discounts prevailing in the 14 designated spot markets, as follows:

Offers opened January 3: August 1955 through November 1955.

Offers opened January 10, 17, 24, and 31: August 1955 through December 1955.

Offers opened February 7, 14, 21, and 28: August 1955 through January 1956.

Mr. ELLENDER. Mr. President, section 203, under the heading "Export sales program for cotton," was offered in the committee by the distinguished Senator from Mississippi [Mr. EASTLAND]. I now yield him 10 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. EASTLAND. Mr. President, I have listened with amazement to the brief filed by the State Department. I have always known that it was an agency whose purpose it was to give away our country. The statement it has filed today is conclusive proof.

The State Department begins by saying that this provision would cause a price war and would result in a drastic decline in world cotton prices. That is the first point that is raised.

Recently, in a conference with the Secretary of Agriculture, at which a number of Senators were present, the Secretary of Agriculture stated that his limited one-million-bale export program, similar to the program proposed in the bill, and which was in force in January and February, had actually sta-

bilized world cotton prices. Anyone who knows anything about merchandising must be aware that the one way to prevent a price war is to tell foreign cotton producers, "We are going to meet your price." We started the 1-million-bale program the first of January, and the facts show that at its completion cotton prices were higher than they were when we started the program.

The statement is made that Russia could ship a limited amount of cotton into the export market, that the United States would be bound to follow a small downward sale, and that Russia could therefore undermine the economies of friendly countries.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator from Mississippi would be willing to agree to a slight modification in the language of section 203, to take care of the criticism which has been made. I personally feel that there may be something to the suggestion of the State Department. I read from page 33, line 10: "to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries."

If we were to add two qualifying phrases, I think we could dispose of the State Department's criticism with reference to the Russian situation. I wonder if the Senator from Mississippi would be willing to add, at the end of line 10, the words "level of", and in line 12 on page 33, after the word "offered" to insert the words "in substantial quantities."

With those changes, I think the provision would be satisfactory. It would encourage the export of cotton by offering to make the cotton available at prices not in excess of the level of prices at which cotton of comparable qualities is being offered by other exporting countries—not isolated prices, but the general level of prices.

Mr. EASTLAND. That was the intention all along, and that is stated in the declaration of intent filed in support of the provision.

Mr. ANDERSON. If the words "in substantial quantities" were added, a small item or a piecemeal bid could not upset the entire transaction.

Mr. EASTLAND. That is correct.

Mr. ANDERSON. I have an amendment which I had intended to propose later. If the Senator from Mississippi will agree to the amendment which I have suggested, that will obviate the necessity of my offering my amendment.

Mr. SMITH of New Jersey. Mr. President, what was the second change suggested.

Mr. ANDERSON. On page 33, line 12, after the word "offered", to insert the words "in substantial quantities."

Mr. President, inasmuch as the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], what I have in mind may not be in order. However, I ask unanimous consent that section 203 on page 33 may be amended as I have suggested.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Am I to understand that unanimous consent has been given to amend certain language in the bill in accordance with the suggestions made by the Senator from New Mexico?

Mr. ANDERSON. The Senator is correct.

Mr. AIKEN. Was unanimous consent given?

Mr. ANDERSON. Yes; unanimous consent was given.

Mr. President, the third and last suggestion I have is this: The Commodity Credit Corporation ought not to be compelled to accept bids in excess of these prices unless they have accepted all the bids at lower prices.

I should like to suggest an amendment on page 33, line 19, after the numerals "1955", to insert the following:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

In other words, I do not want the Commodity Credit Corporation to be favoring anyone. At one time we had a rather extensive experience in the handling of cotton. We have not moved as much of it since as we moved at that time, but we moved more than 7½ million bales of surplus cotton in about 14 months. We had the services of a competent group of cotton exporting firms, and they had to follow a practice such as is outlined here.

I submit this language to the Senator from Mississippi and ask him if he sees any objection to it.

Mr. EASTLAND. I am familiar with the language, and it is acceptable to me.

Mr. ANDERSON. Mr. President, I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], the language on page 33, line 19, may be amended in the manner I have suggested.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—may we have the full language read by the clerk?

Mr. ANDERSON. Probably I have been proceeding out of order.

Mr. KNOWLAND. No. I think this procedure is entirely in order, but in order that the Senate may be fully informed as to the amendment, I ask that the language, as amended, be read.

The PRESIDING OFFICER. The clerk will read the language as amended.

The CHIEF CLERK. On page 33, line 19, after the figures "1955", it is proposed to insert a new sentence, as follows:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

Mr. ANDERSON. I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the

Senator from New Jersey [Mr. SMITH], the language of the original bill may be amended to include the language just read by the clerk.

The PRESIDING OFFICER. Without objection, the amendment to the bill, offered by the Senator from New Mexico, is agreed to.

Mr. EASTLAND. Mr. President, that language meets every objection that has been leveled at this provision. The charge has been made that the bill places a ceiling on the price at which cotton can be sold. That criticism is eliminated by the amendment. I should like to call attention to the fact that under the million-bale program there was fixed a price of 25½ cents a pound. Nevertheless, a great part of that cotton moved at 28.2 cents a pound. Last week, under the 27-cent floor a great deal of cotton moved at 29.23 cents a pound.

The reason for that is that American cotton is the only farm product which is not priced competitively by the Commodity Credit Corporation.

There is no reason in the world why that situation should exist, and why a great segment of our agricultural production should not be priced at competitive prices.

There are 4 or 5 international cotton houses, with millions of dollars invested in Latin America, and I am ashamed to say that they have entirely too much influence with our State Department. Their whole purpose is to protect their investments.

I do not believe it is too much to ask that the American cotton farmer be permitted to sell on a competitive basis. I do not believe it is too much to ask that the Commodity Credit Corporation's stocks be priced competitively so as to enable us to retain a fair share of our export business.

The bill provides that only enough cotton shall be sold to reestablish the historic share of the American export cotton market for the American farmer in an amount to be determined by the Secretary of Agriculture.

The Secretary of Agriculture has already determined, in his press conference, when he announced the program, that 5 million bales of cotton is our historic share of the market.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ANDERSON. I wish to say that there will naturally be a good deal of criticism of the Secretary of Agriculture if he does not move the cotton. I am firmly persuaded that Secretary Benson—and I am perfectly willing to put this on any record—desires to move the surplus cotton. I have participated in at least two conferences with him on this subject, and I believe that Secretary Benson, given a reasonable chance to do so, will be able to move the cotton.

I say very frankly that the reason why a former Secretary of Agriculture was able to move cotton very quickly was that he had the advantage of a war trading act, which permitted competitive prices in the world market. There was no great genius involved in it. He merely had the advantage of being permitted to sell the cotton.

The language we are considering now would instruct the Secretary of Agriculture to move the cotton on a competitive basis.

Secretary Benson made the announcement that he thought he could move 5 million bales. I, for one, am very anxious to permit him to move the 5 million bales. If he does not move them, perhaps I shall feel free to criticize him. In the meantime, although I am on the opposite side of the political fence from him, I do not intend to criticize him for not moving cotton when his hands are firmly tied under the law.

He was up against a good deal of opposition on the 1 million bale experimental program. He moved those million bales satisfactorily, and he did it without disturbing the world market. I think that fact ought to be put in the RECORD.

Now he has asked for permission to move 5 million bales of cotton, and I believe he ought to be given the chance to move them.

I have tried to clarify the language a little, so that the law will make it a little easier for the Secretary of Agriculture to do it. I believe the Secretary of Agriculture is entitled to have that opportunity. It is hardly just to criticize the Department of Agriculture for accumulating agricultural products when it cannot move them. When I was in the Department, I was subjected to page after page of criticism for not moving potatoes, when the law would not allow me to do so. From that day on, I have been very sympathetic with anyone in that job who is asked to move a product when he cannot do so under the law. I believe the language we are proposing will permit the Secretary to move the cotton. Certainly I am in favor of giving him a chance to try to do so.

Mr. EASTLAND. I thank the distinguished Senator from New Mexico [Mr. ANDERSON]. He made a very great record as Secretary of Agriculture. I believe that Secretary Benson is anxious to move these surpluses, but I believe he is stymied by the State Department.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. I am asking the Senator from Mississippi to yield because the matter under discussion—

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from Mississippi.

Mr. AIKEN. Mr. President, I am asking the Senator to yield because I wish to make my own position clear on this subject, and I wish to have it plainly understood that my position is not that of the State Department or of the Department of Agriculture or of the administration. I could not have supported the provision now in the bill, which was put in at the suggestion of the Senator from Mississippi. With the amendments suggested by the Senator from New Mexico [Mr. ANDERSON], I understand that the wording now does not require the Secretary to sell cotton in the foreign market at any price which may be offered, but only to compete with those areas of the world which offer cotton in substantial

quantities, as determined by the Secretary of Agriculture.

Those quantities may be 50,000 bales or 100,000 bales, or a million bales; however, in no case would they be likely to be 20 bales or 50 bales. Is that correct?

Mr. EASTLAND. Substantial quantities.

Mr. AIKEN. They must be substantial quantities.

Mr. EASTLAND. That is correct.

Mr. AIKEN. I understand that the language in the bill as it now reads provides that the Secretary may accept all the bids he can get above the maximum level which has been set, so long as he accepts all the maximum bids. In other words, if the maximum is set at 25.5 cents he may accept bids at 28.5 cents, provided he accepts all such bids. Is that correct?

Mr. EASTLAND. Yes; and he has been doing that.

Mr. AIKEN. As I understand, too, he is not required to compete in the market with the lowest price which may be offered by producers in any foreign country, but he is required to compete with the general level of the prices in the world market. Is that correct?

Mr. EASTLAND. Of course, if there is an isolated sale of a small amount of cotton, that would not set the market. The bill provides "at prices not in excess of the level of prices at which cottons of comparable qualities are being offered in substantial quantities by other exporting countries."

Mr. AIKEN. I also understand the Secretary is directed to recover only the Nation's traditional share of the world market, and that the Secretary will determine what that is, whether it be 4½ million or 5 million bales.

Mr. EASTLAND. He has already determined that.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the legislative intent of section 203 of House bill 10875.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF LEGISLATIVE INTENT OF SECTION 203 OF H. R. 10875

Section 203 contains three general intents. For this reason, this explanation of legislative intent is divided into three parts.

1. The first part directs the Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries.

With respect to this first part, it is the intent that the Commodity Credit Corporation shall make cotton available at the level of prices at which cottons comparable to those produced in the United States are being offered by other exporting countries in substantial quantities.

The Commodity Credit Corporation, in making cotton available at competitive prices, could provide either for the sale of CCC cotton for export at competitive world

prices or for a cash export subsidy on United States cotton sufficient to make it competitive in world markets.

It is also the intent of this part that the Commodity Credit Corporation shall make cotton available at competitive prices immediately upon enactment of this act, but that it shall be discretionary with the Secretary of Agriculture to withhold actual deliveries of CCC cotton until August 1, 1956.

2. The second part provides that during the marketing year beginning August 1, 1956, the Commodity Credit Corporation is further directed to encourage the export of cotton by offering to make cotton available at prices not in excess of the minimum prices at which cottons of comparable qualities were sold under the special cotton export program announced on August 12, 1955.

With respect to this second part, it is the intent that under any Commodity Credit Corporation sales program during this period the Commodity Credit Corporation shall accept bids, if such bids are the highest received for any particular lot of cotton, which are equal to or above the minimum sales price of 25½ cents per pound, basis Middling fifteen-sixteenths of an inch at ports, as established by the Commodity Credit Corporation under the special cotton export program announced on August 12, 1955, and completed on March 2, 1956.

Under any Commodity Credit Corporation program for the sale of CCC cotton for export at competitive world prices during the marketing year beginning August 1, 1956, it is also the intent of this second part that the Commodity Credit Corporation is directed to accept all bids at prices ranging down to the previous "floor" price of 25½ cents. It is not intended, however, that the Commodity Credit Corporation should not make cotton available at lower prices if it is necessary to meet competition. Neither does it preclude the Commodity Credit Corporation from accepting the higher of several bids for the same particular lot of cotton above the "floor" price of 25½ cents.

Under any Commodity Credit Corporation program for the payment of a cash export subsidy on cotton exported during the marketing year beginning August 1, 1956, it is also the intent that the amount of such subsidy shall be not less than the spread between 25 cents (minimum sales prices at port of 25½ cents minus one-half cent allowance for average cost of transportation from interior origin points to port) per pound and the average price of Middling White fifteen-sixteenths inch cotton on the 14 designated spot cotton markets.

This section provides that for the marketing year beginning August 1, 1956, cottons of qualities other than those sold under the special CCC cotton export program announced August 12, 1955, shall be made available for export at the minimum prices at which cottons were sold under such program with appropriate adjustments for differences in quality.

3. The third part provides that such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

With respect to this third part, it is the intent that the Secretary of Agriculture will take whatever steps are necessary to reestablish and maintain our fair historical share of the world market for United States cotton. The Secretary in statements to the press has indicated what our fair share of the world market should be, and it is the intent that the Secretary of Agriculture should utilize all his powers to achieve such a goal as rapidly as possible and in an orderly manner. This goal, however, should be increased proportionately as world consumption of cotton increases.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. YOUNG. For years we have had an International Wheat Agreement which permits United States wheat to meet world competition. Also wheat is sold outside the wheat agreement by our Government on a competitive basis. If it were not for that agreement, we would probably be in a price war at this time, and the wheat producers would have lost the world market completely. I think cotton farmers will be in the same situation, unless there is included some such provision as that which the Senator from Mississippi has suggested. We teach farmers in foreign countries how to raise cotton; we furnish them with machinery with which to do it. How can the American cotton farmers compete in such a situation?

Mr. EASTLAND. I thank the Senator from North Dakota.

Mr. HOLLAND. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. I completely support the position taken by the distinguished Senator from Mississippi, and I think it is in line with reason.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. Mr. President, I yield 2 more minutes to the Senator from Mississippi.

Mr. HOLLAND. If this country ever comes to the point where, as the owner of vast supplies of surplus agricultural property it is not willing to try to regain lost portions of our world trade at prices commensurate with and competitive with those received by other nations, we shall be a spineless, jellyfish sort of an entity instead of a progressive, aggressive, democratic Nation. I think anyone who finds fault with the program suggested by the Senator from Mississippi has not familiarized himself with what his amendment contains.

Mr. EASTLAND. Mr. President, I thank the Senator from Florida for his able and appropriate remarks.

I yield back the remainder of my time.

SEVERAL SENATORS. Vote! Vote!

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time to be taken out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that further proceedings under the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. Mr. President, in view—

The PRESIDING OFFICER. Does some Senator yield time to the Senator from Minnesota?

Mr. KNOWLAND. I yield the Senator 1 minute.

The PRESIDING OFFICER. On the bill?

Mr. KNOWLAND. On the bill.

Mr. THYE. Mr. President, in view of the compromise that was worked out on the pending amendment, I ask unanimous consent that the order for the yeas and nays be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, may I inquire why the Senator from Minnesota is making his request?

Mr. THYE. Because a compromise was reached, and I cannot see the necessity of taking up the time with a yeas-and-nays vote, because it is apparent that the objection to the amendment has been removed. I would have supported the amendment, but in view of the fact that a compromise has been reached which seems agreeable, at least to a vast majority of us, I concluded to ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. SMITH of New Jersey. Mr. President, I admit my lack of detailed knowledge of the ways and means of agriculture, and the prices of various agricultural products, and I acknowledge embarrassment that the Senator from Minnesota should ask that the order for the yeas and nays be rescinded, because I have been requested to have the yeas and nays taken. The administration feels quite strongly about the particular section involved, and I reserve the right to object, so as to have an opportunity to hear further comment on the matter.

The PRESIDING OFFICER. The Senator from New Jersey objects.

Mr. SMITH of New Jersey. No; I only reserved the right to object.

The PRESIDING OFFICER. The Chair understood the Senator from New Jersey to object.

Mr. SMITH of New Jersey. I feel I would be discharging my responsibility better if I carried through with what I was asked to do in regard to this section. I may say now that on other amendments I intend to offer I shall not ask for the yeas and nays, but it seems the issue involved in the section under discussion is one on which the administration wants to have an expression, and I hesitate to withdraw the request for a yeas-and-nays vote.

Mr. ANDERSON. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH of New Jersey. I yield.

Mr. ANDERSON. Does not the Senator feel that some Members on both sides of the aisle will find themselves in an unfortunate position? The able Senator from Vermont has stated his position on the question. Frankly, I might have suggested some language to amend the section had I not thought the Senator from Vermont was correct in his position. I wonder if, having arrived at a compromise, it would avail any good purpose to have a yeas-and-nays vote. I feel it would serve a useful purpose if the suggestion of the Senator from Minnesota could be adopted.

Mr. AIKEN. Mr. President, I was merely trying to keep the State Department out of the controversy. I did not think the State Department would like a yeas-and-nays vote in the Senate that would put every Senator on the spot par-

ticularly after the provisions of the bill had been modified.

In the first place, the ostensible objections which the State Department raised have been overcome by the modifications offered by the Senator from New Mexico. Whether those are the real reason why they oppose this provision is another question. I think the Department of Agriculture would like to sell the cotton. I am simply amazed that the Department of State insists that the Senate should have a yeas-and-nays vote. That is ridiculous.

Mr. SMITH of New Jersey. The State Department has not insisted on a yeas-and-nays vote since the modifications have been made, as they were unaware of any proposed modification at the time they urged me to ask for a roll call vote.

Mr. AIKEN. That is correct.

Mr. SMITH of New Jersey. I am taking the responsibility and am simply trying to present these views to my colleagues.

In the light of what has been said, I withdraw the objection.

Mr. AIKEN. The original language was not satisfactory.

Mr. THYE. Mr. President, the only reason why I asked that the yeas and nays, which had been ordered, be set aside was simply that so far as I could see, the objection which any Department of the Government might have had to the amendment had been overcome by the compromise agreed to by all concerned who took part in the discussion of the provision. It was for that reason that I asked that the order for the yeas and nays be rescinded. I could see no good to be accomplished by carrying through with the yeas and nays.

I understand the distinguished Senator from New Jersey has withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Minnesota that the order for the yeas and nays, previously entered, be rescinded?

Mr. DOUGLAS. Mr. President, reserving the right to object, I feel that the issues have not been very clearly defined. The bill has been amended on the floor, but it appears to me that there is still a very large element of dumping—

The PRESIDING OFFICER. Does any Senator in control of time wish to yield time to the Senator from Illinois?

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. DOUGLAS. I apologize to the Chair for speaking without having had time yielded to me.

The PRESIDING OFFICER. The Senator from Illinois has been yielded 2 minutes.

Mr. DOUGLAS. As I read it I think the amendment in its present form still provides for dumping—not to such an extent as would have been possible under the original words, but still a very large amount. I should like to hear the subject discussed in more detail as to the effect upon our international relations before I would feel justified in withdrawing objection.

Mr. LANGER. Mr. President, I object to rescinding the order for the yeas and nays. It seems that Senators are afraid to have their votes recorded. I object.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. I am glad to yield it back.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. STENNIS subsequently said: Mr. President, I had prepared certain remarks relative to the first amendment offered by the Senator from New Jersey [Mr. SMITH]. At the time the amendment was under debate, the Senate was ready to vote, and I did not ask for time.

I now ask unanimous consent that the statement be printed in the RECORD immediately before the vote on the first amendment offered by the Senator from New Jersey [Mr. SMITH].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

STATEMENT BY SENATOR STENNIS OUR CRITICAL COTTON SITUATION

I rise in support of section 203 of the agricultural bill which directs the Commodity Credit Corporation to use existing authority to export cotton at competitive world prices. In discussing the importance of this provision, I feel it must be made amply clear that cotton faces one of the most critical situations in its history.

A. Fifteen million bale carryover August 1, 1956 (our highest in history).

B. Export market has dwindled to less than 2 million bales (and most of this has moved under Government-aided programs, such as Public Law 480 and special 1-million-bale export program for cotton).

C. Cotton acreage has decreased from 28.3 million acres in 1953 to 17.4 million acres in 1956 (without certain provisions contained in this bill, acreage would be reduced another 1.5 million acres in 1957).

D. Domestic markets are seriously threatened by synthetic competition.

IMPORTANCE OF COTTON EXPORTS

Our export market for cotton is the very heart and life of our cotton program. Without an export program which will meet price competition and regain a fair share of our world market, means that we will continue to lose this market and if present trends continue, we will find ourselves in a situation whereby we will be producing for domestic market only. This will mean continued reduction in acreage allotment, as well as an increase in surplus, and would in the end result in complete failure of our entire cotton program, not to mention the serious impacts on our cotton industry and total economy.

FAILURE TO INITIATE ADEQUATE EXPORT PROGRAM

We have already waited too long to initiate a forward-looking cotton export program and the time has come when we must take firm and positive action. We have had a pressing need for a realistic and forward-looking program for the past 2 years. Last year we had high hopes that the Department of Agriculture would announce such a program, but when the final announcement was made, the program was limited to 1 million bales of low-grade short-staple cotton. This was indeed disappointing and has failed to meet our critical situation. Again this year we had high hopes that the administration would develop a realistic program to meet world

competition and to regain a fair share of the cotton export market.

EXPORT PROGRAM ANNOUNCEMENT VERY DISAPPOINTING

Cotton prices announced under the new USDA cotton export program are 3 to 4½ cents a pound above prices of principal competing cottons now being offered in volume in foreign markets for shipment after August 1, 1956. These prices are 2½ to almost 7 cents per pound under prices of rayon in principal producing countries. This is certainly disappointing and particularly so when cotton is faced with one of the most serious problems of our time.

I had visualized the new export program which the Secretary announced a few weeks ago as a determination on the part of the administration to meet this critical situation, by selling surplus cotton at competitive world prices with the primary objective of regaining a fair share of the world market. If the 27½ cents per pound is set as a minimum price for export, it will be one of the most disappointing developments of our agricultural program. An aggressive long-range cotton export program designed to meet price competition and to discourage foreign production is a pressing necessity. The regaining of a fair share of this market is so very important to the actual existence of our cotton industry that unless we move our surplus supply, which is the highest in history, in an orderly way over a period of 2 or 3 years, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in acreage allotments. While our cotton farmers have reduced their acreage in an effort to keep supplies within demand, foreign producers have expanded their production to such an extent that their production is within 1½ to 2 million bales of supplying foreign demands.

UNCERTAIN UNITED STATES POLICY DEMORALIZED EXPORTS

World trade in cotton is already badly demoralized because of uncertainty in United States policy and has been at almost a standstill for the last year awaiting a decision on the United States plan. The setting of a price floor at the unrealistic level of only a few cents under the announced loan program for 1956 prices will cause greater confusion and uncertainties in world trade. If foreign price competition is not met under the new export program, the primary purpose is defeated and the net result will be a greater total loss to the Government without actually increasing exports. Failure to meet our critical export program will result in continued acreage control at levels far too low to give our farmers a fair standard of income.

MILLION-BALE EXPORT PROGRAM ANNOUNCED LAST YEAR

Under the million-bale export program, the minimum sales price was 2 cents a pound below the minimum under the new program. CCC also included in the minimum price under the million-bale program the costs of freight from interior locations to ports, and the cost of standard compression, which together average about three-fourths cent per pound. Under the million-bale program, the procedure for arbitrating the quality of the cotton purchased from CCC was different, and had the effect of further reducing costs, compared to the current program, another ½ cent to 1 cent per pound. In total, the price of cotton to the shipper was 3¼ cents to 3¾ cents per pound less under the million-bale program than under the new program.

THE NEW PROGRAM

The first sale under the new program resulted in the sale of 10 million bales at a price of 27½ cents per pound; a price of 26½

cents per pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The second sale made under the new program resulted in a sale of 200,000 bales of cotton, but most of this cotton was purchased under unusual circumstances by shippers who had pressing commitments from domestic mills. Most of this cotton was purchased and actually shipped to domestic mills, but will be substituted for export after August 1, 1956. Therefore, this is not a true demand for exports under the new program.

THE COST OF HOLDING CCC STOCKS

The storage costs and interest charge on cotton now owned by CCC plus cotton which they expect to own by August 1, 1956, will cost more than \$100 million per year.

This is a most serious and pressing problem which should be met with full force of competitive prices. A simple and direct way is to make United States cotton competitive and to lower the present minimum CCC sales price. The administration has not met this important criterion, and I urge the Senate to adopt this export amendment.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment offered by the Senator from New Jersey. The amendment will be stated for the information of the Senate.

The **LEGISLATIVE CLERK**. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4 on page 34.

The **PRESIDING OFFICER**. As the Chair understands the situation, the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey. All time has been yielded back.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. **CLEMENTS**. I announce that the Senator from Arkansas [Mr. **FULBRIGHT**], the Senator from Georgia [Mr. **GEORGE**], the Senator from Tennessee [Mr. **GORE**], the Senator from Massachusetts [Mr. **KENNEDY**], the Senator from Oregon [Mr. **MORSE**], and the Senator from North Carolina [Mr. **SCOTT**] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. **FULBRIGHT**], the Senator from Georgia [Mr. **GEORGE**], the Senator from Tennessee [Mr. **GORE**], the Senator from Massachusetts [Mr. **KENNEDY**], the Senator from Oregon [Mr. **MORSE**], and the Senator from North Carolina [Mr. **SCOTT**] would each vote "nay."

Mr. **SALTONSTALL**. I announce that the Senator from Connecticut [Mr. **BUSH**], the Senator from Kansas [Mr. **CARLSON**], and the Senator from Nevada [Mr. **MALONE**] are absent on official business.

The Senator from Idaho [Mr. **WELKER**] is necessarily absent.

The Senator from New Hampshire [Mr. **BRIDGES**] is detained on official business.

If present and voting, the Senator from Connecticut [Mr. **BUSH**], the Senator from Kansas [Mr. **CARLSON**], and the Senator from Idaho [Mr. **WELKER**] would each vote "nay."

The result was announced—yeas 13, nays 71, as follows:

YEAS—13

Allott
Bender
Bricker
Case, N. J.
Cotton

Douglas
Knowland
Martin, Pa.
Millikin
Payne

Smith, N. J.
Watkins
Williams

NAYS—71

Alken
Anderson
Barrett
Beall
Bennett
Bible
Butler
Byrd
Capehart
Case, S. Dak.
Chavez
Clements
Curtis
Daniel
Dirksen
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Goldwater
Green

Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
McCarthy
McClellan

McNamara
Monroney
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Sparkman
Stennis
Symington
Thye
Wiley
Wofford
Young

NOT VOTING—11

Bridges
Bush
Carlson
Fulbright

George
Gore
Kennedy
Malone

Morse
Scott
Welker

So the amendment offered by Mr. **SMITH** of New Jersey was rejected.

Mr. **SMITH** of New Jersey. Mr. President, I call up my amendment, identified as 5-16-56-E, and I ask to have the amendment stated.

The **PRESIDING OFFICER**. The amendment offered by the Senator from New Jersey will be stated.

The **CHIEF CLERK**. On page 32, beginning with line 7, it is proposed to strike out down through line 2, on page 33.

Mr. **SMITH** of New Jersey. Mr. President, I allow myself 5 minutes on the amendment.

The **PRESIDING OFFICER**. The Senator is recognized for 5 minutes.

Mr. **SMITH** of New Jersey. As in the case of the last amendment, I shall read a memorandum from the Department of State, which I have been asked to present to the Senate.

As stated previously, at the request of the Department of State and the administration, I want to call the attention of my colleagues to what the Department of State feels to be unfortunate with regard to section 202. I read, for the benefit of the Senate and the **RECORD**, a memorandum from the Secretary of State to the President, which the President has approved, on the subject of section 202 of H. R. 10875. The statement is as follows:

Peru in particular would be hurt by the enactment of section 202, with the possibility also of wide repercussions elsewhere in Latin America. Section 202 would further restrict our import quota on extra-long staple cotton and subsidize the export of such cotton—a type which the United States does not normally export. Under the circumstances, the Department of State must protest against section 202.

I have no further statement to make except to reiterate the objection to this

section by the Department of State, and I yield back the remainder of my time.

Mr. **MONRONEY**. Mr. President, will the Senator yield?

Mr. **SMITH** of New Jersey. I yield.

Mr. **MONRONEY**. Is it not a fact that the State Department has been doing most of this pushing on the cotton situation to try to show Mr. Nasser, the Prime Minister of Egypt, that we are anxious that he remain our friend? And is not it also a fact that the smallest countries to be affected are the countries named by the State Department? Yet, with all the overtures, money, and everything else we have showered on Mr. Nasser, with all the extreme favoritism shown him on the part of our Embassy, we saw only yesterday the fruits of his friendship in his recognition of Red China.

It certainly seems to me that we have gone far enough in appeasing Mr. Nasser, who trades Egyptian cotton, not on the open market, but at a secret price, in exchange for Russian Mig's and Russian bombers, to strengthen his position in the Middle East.

In my opinion, the responsibility for the amendment worked out by the State Department rests, not on Latin America, but on the Middle East, where the State Department hopes to appease Mr. Nasser.

Mr. **SMITH** of New Jersey. Mr. President, I am entirely in accord with the expression by the Senator from Oklahoma of consternation over the recent action of Egypt. I feel just as strongly as he does about it.

However, I do not consider that the objection by the State Department to this particular section is based on a desire to appease Egypt. I think it is based on the situation in Latin America. If I am correctly informed, some of the countries of Latin America have been troubled about the action which might be taken under this particular provision. I think that is the basic reason why the State Department has called this provision to our attention.

Mr. **COTTON**. Mr. President, will the Senator from New Jersey yield to me?

Mr. **SMITH** of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. **COTTON**. Is it not a fact that in the case of this amendment, as well as the preceding amendment, there are other reasons for advocating the amendment, besides the bare wishes of the State Department? I am informed that in my State certain textile plants are adjusted to use the extra-long-staple cotton which must be imported. If those plants are deprived of an adequate supply for their manufacturing processes, it will work a hardship upon them.

I am much more interested in that situation than I am in some of the philosophies of the State Department or in the attitude of Egypt from the point of view of our foreign relations. That statement applies also to the last amendment voted on. I am interested in the fact that when we dump cotton on the world market, it is promptly manufactured into

cloth which can be imported into the United States and sold here in competition with the cotton produced by our own industries.

That is why I believe there are sound economic reasons for this amendment and the previous one, in addition to reasons which may be advanced by the State Department.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for his statement. I cannot join in the statement he has made, because I do not know the situation to which he refers.

Mr. McCARTHY. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. McCARTHY. Mr. President, let me say that I have very seldom been in agreement with the Senator from Oklahoma [Mr. MONRONEY], but this is one time when I agree wholeheartedly with what he has said. I may say that I do not think the State Department should dictate to the Senate how the Senate should vote. I think it would be a great mistake for us to adopt the amendment of the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, in answer to the Senator from Wisconsin, I wish to say that I do not think the State Department is attempting to dictate how the Senate should vote; but the State Department is objecting in view of the fact that, from its standpoint, the amendment would cause some international misunderstanding. I think that is a legitimate objection, or else I would not have brought the amendment to the attention of the Senate.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes more.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Jersey was asked about certain cotton mills in New Hampshire which need long staple cotton for their operations. A similar situation exists in South Carolina. For that reason, there is written into the pending bill—the provision has been carried over from the conference report on the previous agricultural bill—the provision that—

Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield further to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. If this section of the bill, including the provision mentioned

by the Senator from South Carolina, remains in the bill, is it to be interpreted as assuring the protection of the supplies essential for our own textile mills, in the case of this type of extra long-staple cotton?

Mr. JOHNSTON of South Carolina. That is my understanding of the bill as it is written at the present time. The same situation exists in South Carolina.

Mr. COTTON. I thank the Senator from South Carolina for his assurance.

Mr. GOLDWATER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Mexico—pardon me; I meant to say “the Senator from Arizona.” I apologize for saying “New Mexico,” although New Mexico is also a very fine State.

Mr. GOLDWATER. Mr. President, the Senator from New Jersey does not need to make any apology for referring to me as being from New Mexico; but the Senator from Arizona much prefers his own State. In fact, the junior Senator from Arizona wishes to talk for just a moment about his own State.

This amendment would vitally affect the farmers of Arizona. I know that probably it is part of the job of the State Department to worry about the Peruvians and the Egyptians. However, it is the job of the junior Senator from Arizona to worry about the Arizonians. I think it is high time that the administration began to be concerned more about the farmers and producers in the United States, along with their concern about international economic situations over which we have little control. Unless we protect our own markets, in the interest of our own farmers and producers, the situation for them will be an impossible one. Certainly that will result if our markets are opened freely to all the other nations of the world.

I wish to add my protest, too, to attempts by the State Department to intimidate this body, by means of requesting the yeas and nays on the question of agreeing to such an amendment, and to other attempts to influence the action taken by this body.

Mr. SMITH of New Jersey. Mr. President, I wish to say that the State Department has not attempted to intimidate the Senate. I asked whether they wished to have the yeas and nays on the question of agreeing to the amendment, and they said they did. There has been no attempt to intimidate.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I wish to add my word of protest. The Senator from New Hampshire is worried about the supply of long-staple cotton. I wish to say to him that Texas, Arizona, New Mexico, and California can furnish all the long-staple cotton needed in the United States. So I wish to register my protest.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, this amendment would strike out section 202 of the bill, which provides for, first, the inclusion of cotton stapling $1\frac{1}{16}$ inches and longer in the quota applicable to cotton stapling $1\frac{1}{8}$ inches up to $1\frac{1}{16}$ inches; and, second, the sale at competitive world prices of Commodity Credit Corporation stocks of domestically produced extra-long-staple cotton. The section which would be stricken by this amendment was inserted in H. R. 12 pursuant to an amendment offered by the Senator from Arizona [Mr. HAYDEN], and was carefully considered and amended by the conferees. Cotton stapling $1\frac{1}{16}$ inches and longer was originally included in the quota of 45.7 million pounds established on September 20, 1939, under section 22 of the Agricultural Adjustment Act. Because of special temporary needs for cotton stapling $1\frac{1}{16}$ inches and longer, it was exempted from the quota on December 19, 1940. The need which gave rise to this exemption no longer exists; and the extra cotton which is brought in on account of the exemption competes with our domestically produced extra-long-staple cotton, which is already in oversupply.

Mr. President, I ask unanimous consent that the portion of the committee report dealing with the part of the bill now under consideration be printed at this point in the body of the RECORD, in connection with my remarks.

There being no objection, the excerpt from the report (No. 1966), was ordered to be printed in the RECORD, as follows:

Extra-long-staple cotton (sec. 202): Subsection (a) provides that the existing import quota on extra-long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall hereafter cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{1}{16}$ inches and longer to bring such cotton back within the quota. The quota is 45.7 million pounds, or approximately 95,000 bales. About 16,000 bales of $1\frac{1}{16}$ -inch cotton was imported in 1955. The section also requires that dates for the quota year conform to normal marketing practices. The present quota year is from February 1 to January 31. Cotton stapling $1\frac{1}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. This section will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra-long-staple cotton. These stocks currently total about 97,000 bales.

Mr. ANDERSON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I shall try to use even less than that amount of time, in view of the fine statements which have been made by the Senator from Oklahoma [Mr. MONRONEY], the junior Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Arizona [Mr. HAYDEN], and other Senators.

Actually there are only about 30,000 bales of this long staple cotton produced in all the United States. Egypt exports 90,000 bales a year to the United States. It is not too much to give the farmers of America 30,000 bales out of a 130,000-bale market.

We have tried to be reasonable. There was some language which was objectionable to the very able Senator from South Carolina [Mr. JOHNSTON], who was speaking in the interest of a mill in his State. He took exception to that language. He was well within his rights. The Senate Committee on Agriculture and Forestry, under the able leadership of the Senator from Louisiana [Mr. ELLENDER], recognized the situation and amended the language, which made it possible for the committee to agree upon the language.

As I recall, the veto message did not mention this particular section strongly if it mentioned it at all. I believe we would do well to vote down the pending amendment, because the provision in the bill obtains for our farmers only a small share, not of the world market, but of the domestic market. Surely the American farmer ought to be entitled to a fourth of the domestic market.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. President, I had intended to use a part of my time to read a paragraph from the committee report, but that paragraph has been inserted in the RECORD by the Senator from Louisiana [Mr. ELLENDER].

With regard to the use of this particular type of cotton in manufacturing, the maximum amount of such cotton imported in any one year has been about 15,000 bales. The bill adequately takes care of that supply.

First. American grown long-staple cotton will satisfy all use requirements as well as Peruvian long-staple cotton, and will make better thread than Peruvian long-staple cotton. Cotton imported from Peru is used in this country primarily to make fine shirting. It costs 5 to 8 cents per pound less than American long-staple cotton. The United States does not grow cotton stapling $1\frac{1}{16}$ inches and longer because of high cost of production.

Second. The import duty on Peruvian cotton is $1\frac{3}{4}$ cents per pound. The import duty on cotton of $1\frac{1}{8}$ to $1\frac{1}{16}$ inches long is $3\frac{1}{2}$ cents per pound. There is a very low tariff rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back their time?

Mr. SMITH of New Jersey. Mr. President, I yield back my remaining time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. SMITH of New Jersey. Mr. President, I have one remaining amendment. It is designated "5-16-56-G." I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 58, beginning with line 9, it is proposed to strike down through line 20 on page 67.

Mr. SMITH of New Jersey. Mr. President, I should like to modify my amendment in order to limit it.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. SMITH of New Jersey. The amendment as submitted would strike out all of title V. I find, on checking the request which the State Department made to me in this connection that the objection to title V was due to some discrimination against Cuba. The feeling was that this provision violated the most-favored-nation clause.

I ask, therefore, that my amendment be modified as follows: On page 59 of the bill, line 25, strike out the words "or exported to Cuba"; and on page 64, of the bill, line 20, strike out the words "other than Cuba."

That would simply place Cuba back on the same basis with other countries, with no discrimination against it. The first change made by my amendment is in section 380c, and the second is in 380k (c).

In support of my amendment I wish to read a memorandum sent to me by the Secretary of State, and approved by the President, with regard to this particular amendment. The subject of the memorandum is "Two-Price Plan for Rice, Proposed in H. R. 10875." The memorandum reads as follows:

H. R. 10875 as reported by the Senate Agricultural Committee authorizes a domestic allotment program for rice, at the discretion of the Secretary of Agriculture. The bill provides, however, in section 380c and 380k (c) of title V that the processed rice of the United States, if this plan were instituted, would not be available to Cuba at the low price which would apply to exports of the same product to all other countries.

This would be discriminatory against Cuba and would be contrary to the most-favored-nation principle, which is fundamental to our international trade policy.

Nondiscrimination and equal access to resources in international trade are directly related principles. They have especially great importance to us in view of our dependence on foreign sources for many materials of high strategic value.

The proposed violation of the most-favored-nation principle would set a precedent of great danger for the future accomplishment of our objectives in international trade. We would be placed under obvious handicaps if it became necessary for us to contend

against violations by other countries of their commitments to us regarding most-favored-nation treatment.

The problems which the proposed legislation would create make it necessary for the Department of State to express its disapproval of sections 380c and 380k (c) of title V.

JOHN FOSTER DULLES.

I have limited the application of my amendment to Cuba in order to prevent this discrimination. The remaining sections are not affected.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The original amendment offered by the Senator from New Jersey would have deleted the provision of the bill authorizing the Secretary to institute a 2-price program for rice in 1957 and 1958, or in 1958 and 1959, if he determines that such a program is administratively feasible and in the best interests of rice producers and the United States. Except that it is discretionary, the 2-price program provided for by the bill is substantially identical to that approved by Congress when it passed H. R. 12. Initiation of the program would be dependent upon a determination by the administration that it is in the best interests of the United States. Two-price plans have been proposed for many years, and the only way that we shall ever determine their effectiveness is by putting such a program into operation. Because of the small number of States involved, and the small percentage of world production represented by United States production, rice is the most suitable commodity for which an experimental program could be tried. The plan would become effective only if the Secretary determined it would be in the best interests of the United States, and then only for 2 years.

With respect to the statement by my colleague from New Jersey with respect to Cuba, let me say that I have discussed the question with many Cubans, particularly those involved in the importing of rice. I have heard no objection to including Cuba in our primary market; in addition, as I have said, this plan is purely discretionary.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back the remaining time?

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. DIRKSEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all of title V, on page 58, after line 8, through line 10, on page 69.

Mr. DIRKSEN. Mr. President, I am not sure that the amendment will prevail, but I certainly would not like to see the consideration of the bill concluded without at least making a record on the rice title.

I quite agree with my distinguished friend from Louisiana [Mr. ELLENDER] that it is wholly permissive and in the hands of the Secretary of Agriculture whether such a program shall be instituted. That is correct.

However, the fact is that once it is incorporated in a statute it means that a great deal of pressure will be placed upon the Secretary of Agriculture. I doubt whether that ought to take place, particularly in respect of a two-price system on any commodity, for it is the opening wedge for other commodities, as we saw in our earlier deliberations on the farm bill.

It is a fact that rice production in the United States has doubled in the past 10 years, and most of the increase, of course, has gone into the export market.

However, just as soon as the Asian countries were able to resume their usual production, our real troubles began. During the war period I think the prices in the main were pretty well above support levels. After the war they began to drop, and then our exports began to drop also.

From 1953 until 1954 and 1955 the figures indicate that our exports dropped nearly 33½ percent. The net result is that beyond that we have the problem caused by increased war production. As I say, with a doubling of rice production over a period of 10 years, we cannot help but have a surplus problem with respect to this particular commodity.

To indicate what is necessary, and in order to demonstrate the problem, the Department of Agriculture estimates that on the 1st of August we shall have in stock 30 million bags of rice. The normal carryover was about 3 million bags. We will have at least six times the normal carryover, and we will have enough in the carryover to provide a full year's consumption of rice.

No one disputes the fact that a problem exists. The question is how to solve it. I doubt very much whether this proposal will solve the main problem. What it proposes to do, in my judgment, is merely to freeze the wartime production. I do not believe that is the solution at all. If pressures can be exerted on the Secretary of Agriculture to go through with a plan of this kind, we shall have actually frozen the production at a high level. The problem then will be to get rid of it.

There is another amendment pending, proposed by the distinguished Senator from Arkansas [Mr. FULBRIGHT], which provides in essence that the President shall make an effort to dispose of surplus rice to oriental countries. There is no escape clause in it. There is no provision for consideration of the customs of other countries. Anyone who goes to the Orient and looks around will find warehouses up and down the Irrawaddy River in Rangoon filled with rice, and he will find that prices are going down

and surpluses exist. However, the committee amendment provides that the President must make the effort to sell our surplus rice to oriental countries.

All that can come out of it, of course, is a great big international headache before we get through. However, that is not all the committee amendment provides. It says that before any offer is rejected, the President must submit it to Congress. That is a sort of indirect veto upon the action of the Executive. It is an indication of the difficulties which will be encountered.

If we are producing at the wartime level, and if we have 30 million bags of rice in the carryover, and if that is 6 times more than our normal carryover, then, in my considered judgment, there is only one way to deal with the problem, and that is to bring about an acreage reduction, so that the production of rice will be geared to our needs and to a reasonable reserve and to the exports.

The amendment which was offered by the distinguished Senator from New Jersey [Mr. SMITH] provided for the elimination of Cuba as a part of the primary market. I believe it is astounding to write into any piece of legislation a provision that a sovereign foreign country like Cuba and a territorial possession like Puerto Rico shall be included in the primary market, along with the domestic market of this country. What control do we have over Cuba? None at all.

Therefore, as a matter of fact, it seems to me that we are going extremely far when we include a sovereign country as a part of the primary market of America. It can lead to no end of trouble.

As I sense this thing, in the non-Cuban areas, in the Caribbean particularly, it would be possible, no doubt, to get hold of quite a good deal of rough rice, to mill it elsewhere, and then to dispose of it in rice-consuming areas. Then what starts out to be a primary market becomes a secondary market before we get through.

There is another feature which should be mentioned. I refer to the provision that the value of the certificate shall be equal to the difference between 90 percent of parity price of rice and the level of the price support. Perhaps that can be done, but the bill says nothing about the market price, so far as I can determine. We can very easily envision a situation in which rice in Cuba and in the domestic market will be selling at 100 percent of parity. It would appear to me that indirectly, at least, we would be putting a rather interesting regressive tax on the modest consumers, the humble people, who are the real rice consumers of the country.

There are a great many other things in the bill which I do not like. There is the provision, for example, for refunds to the owners of rough rice. That will become effective on the last day of July. I do not know too much about the rice business, but I do know that the new year for rice begins on the 1st of August; and all the training I have had tells me that as we come to the end of a crop year, whether it is in futures or in cash markets, the supplies become a little slim, and prices go up.

Therefore, if we provide on the last day of the old crop year that those who are the owners of rough rice shall get 35 percent of parity, it looks to me as though we will have additional trouble.

There are many other things one could say about the bill. I have become very unhappy about a situation of that kind, with all the complications and difficulties of enforcement.

Finally, of course, our whole hope has been to withdraw a few of the Federal controls and to leave agricultural producers with less instruction on the part of the long hand of the Federal Government.

As I envision the administrative machinery necessary to carry out the processing tax which is involved, if this provision should become law, and if the program should be instituted by the Secretary of Agriculture, there will be other complications.

Therefore I wish the RECORD at least to disclose my observations, and I hope that the Senate in its wisdom will strike out this title. I know that my distinguished friend from Louisiana has labored long and earnestly with the problem. I can understand that. However, this is once more a two-price system. If it starts, then, of course, it can move into any other commodity. Then we will simply be multiplying our problems, rather than dissipating them.

Consequently, while my hopes are not too high that the amendment will prevail, I still believe the record should be made before our discussions of the bill have been concluded.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Title V as it appears in the bill has been approved by all segments of the rice industry. The rice industry would like to make the two-price plan mandatory. The reason for including this title in the bill was this: Two-price plans have been suggested for the past 15 or 20 years. I had occasion to talk to the Secretary of Agriculture about this subject. Although he did not say he was in favor of a two-price plan for rice, he indicated that since two-price plans have been talked about for so many years, it might be a good idea to try such a plan on a crop which is produced in only 4 or 5 States and by only a few farmers.

The consumer will not suffer, contrary to what was indicated by my friend from Illinois.

Rice would be sold at whatever the market price may be. Assuming that the market price is 65 percent of parity, the millers of the rice purchased at that price would be required to purchase certificates equivalent in value to 25 percent of parity before milling the rice which will be consumed domestically.

Normally, a miller would not have more than 90 percent of parity invested in rice destined for domestic consumption. A farmer, on the other hand, would receive certificates equal to the difference between the support price in effect for that year's rice crop and 90 percent of parity as to that portion of his production which would be consumed domestically.

Mr. President, as I have stated, this authority to inaugurate the two-price plan is discretionary on the part of the Secretary of Agriculture.

Since the bill will be late in its passage, the committee decided that it might not be feasible to attempt to put the two-price plan into operation in 1956, so it voted to give discretionary power to the Secretary of Agriculture to put the two-price plan into effect for 1957 and 1958, or 1958 and 1959.

Mr. President, I hope the Senate will reject the amendment proposed by the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I am sensible of everything that my distinguished friend from Louisiana has said, but I wish to leave this last thought with the Senate.

Whenever we have been discussing an agricultural bill, if, for instance, the Secretary of Agriculture may have said he did not have the requisite authority to act, then, of course, there was an immediate search through the statutes to see whether the authority was there. Then the pressures began.

What we are doing today, if this title is retained in the bill, is to confer authority upon the Secretary of Agriculture and leave it to him whether a two-price program for rice shall be initiated. If, perchance, some difficulties arise with respect to this particular commodity, then all the pressures in kingdom come will be applied to an administrative official of the Government to induce him to place the plan into effect.

I do not believe that is the salutary or happy way to deal with a problem of this kind, because the implications are so great, and the possibilities applying the same principle to other fields are so great, that a two-price system would very probably disorganize and negate everything the Senate is trying to accomplish in the pending bill.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Mr. President, this is a provision which was placed in the bill because of the feeling of a great many persons that we ought occasionally to try to find new ways of dealing with agricultural surpluses which can get quickly out of line.

The Senator from Illinois very correctly said there was virtually no carryover of rice for many years, but suddenly the carryover went up to 29 million bags.

There is need under certain conditions and with reference to certain commodities for a plan to dispose quickly of surpluses. I have in my own mind wondered whether we could do something about it, and, at the request of the able chairman of the Committee on Agriculture and Forestry, I finally held some hearings with reference to the rice situation. We tried to find a good commodity on which to make the test. If a test is ever to be made of a two-price system I hope it will be made on some commodity like rice which has a relatively small number of producers. It was for that reason that the provision was added to the bill.

I believe the chairman of the committee came to the same conclusion. I hope the provision will remain in the bill.

It does not thrust something down the throat of the Department of Agriculture. If the Department finds it desirable to try a two-price system it can try it on the one commodity on which it can be tried without too much damage to the agricultural community.

That is why I voted to put the provision into the bill, but I voted against it as to wheat. Wheat can be grown in many States, but rice can be grown in only a small number of States.

Furthermore, American rice production is approximately 1 percent of the world production. If I am incorrect in that statement, I hope the Senator from Louisiana will correct me. It is about 2 percent of the world production; is it not?

Mr. ELLENDER. It is 1½ percent of the total world production.

Mr. ANDERSON. So, what we do does not affect the world price. It does not destroy the state of Burma, or Siam, or any other nation. Therefore, Mr. President, I hope the provision will remain in the bill so that the Department can test it and find out whether a two-price system will work on this commodity. If it will, it may work equally well for wheat, and we shall have found a method of handling some of our surplus commodities.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN]. [Putting the question.] The "nays" appear to have it.

Mr. DIRKSEN. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HICKENLOOPER. Mr. President, I call up my amendment designated "5-16-56-B."

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. It is proposed, on page 50, line 22, after the period, to insert the following:

For the purpose of eligibility for price support on the 1956 crop of corn, a producer may satisfy the requirement that he devote an acreage to the soil bank by entering into a contract under the conservation reserve program prior to December 31, 1956.

Mr. HICKENLOOPER. Mr. President, this amendment was prepared after consultation with the Department of Agriculture in connection with the soil-bank proposal for this year.

I wish to invite attention to the fact that corn is the only one of the basics which is required to contribute a portion of its allotment to the soil bank. Corn has assumed that obligation. However, as the situation now stands, the Secretary of Agriculture is given discretion to determine whether it is feasible to place an acreage reserve program into effect this year with respect to the Corn Belt. There is some question about it. Personally, by inexpert opinion in the mat-

ter is that it could be put into effect. There are those who know a great deal more about the subject than I do who feel that it is not feasible to put an acreage reserve program into effect this year for corn.

It will be noticed in the bill—and my amendment does not change it except that it extends the time—that as a condition for eligibility for price support, a producer must do two things: First, he must devote an acreage of crop land tilled in normal rotation, at the option of the producer, and, second, he must not exceed his farm base acreage for corn.

My amendment would not change either of those provisions. He must stay within his farm base acreage for corn. That is number 1. He must devote an acreage to either the acreage reserve or the conservation reserve equivalent to 15 percent of his base acreage allotment. That is number 2.

My amendment is prepared against the possibility that it may not be feasible or practicable to install an acreage reserve program for corn this year. The amendment extends the period during which the farmer can qualify for eligibility for price supports this year, still keeping within his basic corn acreage. He may not exceed that. But the amendment extends to December 31, 1956, this year the period within which he can enter into a contract to go into the conservation reserve program.

The proposal is this simple: In many places indeed on the vast majority of the farms from, we might say, at least the Iowa line, or north from there, and from there southward, the crops are already in. The planting is done. Unless the farmers plow up existing plantings and sustain the loss of their seed, and such other things as have gone into the planting, they may find themselves unable to cooperate in either the acreage reserve or the conservation reserve.

My amendment merely extends the time by contract to the 31st of December. It does not reduce the requirement that the farmers must contribute 15 percent. It does not reduce the requirement that they must remain in their acreage allocations.

Again I point out that corn is the only one of the basics which is not required to contribute to the acreage reserve or the conservation reserve.

I hope the amendment will be adopted as a clarifying amendment. I think it will be very helpful in enabling more farmers to come into the program and contribute the 15 percent in view of the lateness of the season.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The only reason why corn has been singled out as one of the basic crops which must comply with the acreage reserve program is that it is still the season of the year when the crop is being planted, and the farmer can adjust his planting so as to comply. Either he must reduce his acreage planted to corn by 15 percent or he must allow to lie idle an additional number of acres out of his available acreage.

Mr. HICKENLOOPER. That is correct; but I call the Senator's attention to the fact that the bill as it now stands provides that the Secretary of Agriculture shall have discretion as to whether or not he will establish an acreage reserve program for this crop year, because of the lateness of the season and the time when the bill will go into effect. If the Secretary should determine that it is not feasible to establish an acreage reserve program for this year, he will have a conservation reserve program. But there may be some serious complications involved, and some actual deterrents against the farmer complying with his acreage allotment.

The amendment extends the time, in view of the planting season, under which the farmer can contract to go into the conservation reserve on December 31, 1956.

Mr. THYE. This is an important question, because throughout the Corn Belt of the Nation the farmer this week is planting. Many a farmer is trying to ascertain through the channels of radio, television, and the newspapers exactly what Congress has done, and what the farmer may do to qualify himself to become eligible for the program.

It is for that reason that I have asked the questions. I want to make certain that we will help the farmers to adjust their operations to the legislative machinery which we are trying to provide by the bill. If in the event the Secretary of Agriculture were to establish acreage allotments—

Mr. HICKENLOOPER. He will establish acreage allotments, but there is a question—

Mr. THYE. He will because the act makes mandatory 51 million acres.

Mr. HICKENLOOPER. Yes.

Mr. THYE. He has already set the amount at 43 million acres, and the producer has been informed of a number of acres which his farm will be eligible to have planted to corn.

Mr. HICKENLOOPER. Yes.

Mr. THYE. The Senator from Iowa and I are endeavoring to legislate so as to provide a 51 million acre base. That would mean that the permissible acres would be increased by that amount.

The Secretary may state that the farmer would have to allow to remain idle 15 percent of the number of acres planted to corn, if the farmer is to qualify under the acreage allotment and receive the \$1.50 ceiling price.

Mr. HICKENLOOPER. The point is that the bill gives discretion to the Secretary and provides that if, in his opinion, an acreage reserve program is feasible, he can put it into effect. Of course, that is where the farmer has underplanted allotted acres. If the Secretary does not think such a plan is feasible, he does not have to put an acreage reserve program into effect, but the conservation reserve program will be in effect.

Mr. THYE. That leaves the Secretary with discretion as to whether he puts the plan into effect with the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. That is the reason why I am stressing the point. I wish to make

certain that we ourselves do not legislate without completely understanding the issue and the question, assuming that the Secretary does not put the acreage reserve program into effect. If he does not, then the acreage goes into the other conservation program.

Mr. HICKENLOOPER. That is correct; and in most cases the land which would normally go into the conservation reserve, cropland which has already been planted, is in the process of growing at this time.

Mr. THYE. If that acreage is the acreage designated by the producer to be set aside, in a contract entered into with respect to it, that contract would have to be over a period of how many years?

Mr. HICKENLOOPER. Three years.

Mr. THYE. Not less than 3 years?

Mr. HICKENLOOPER. That is correct.

Mr. THYE. The Senator states that under his amendment the farmer would be eligible to designate acres any time between now and when?

Mr. HICKENLOOPER. December 31, 1956.

Mr. THYE. He would draw his compensation at what time?

Mr. HICKENLOOPER. He would be eligible to draw his compensation under the bill at the time he set the acres aside and began the practices which are called for. That is, he would be eligible for annual compensation at the time he set the acres aside and began the practices which are called for under the contract.

Mr. THYE. And "begin the practices" would mean that the farmer could not take a crop off that land in the calendar years 1956; would it not?

Mr. HICKENLOOPER. Not if he agreed to it immediately. But he would have until December 31 to make a contract. If he waited until that time, the contract would be for the reduction in the next year.

Mr. THYE. That would be for the 1957 crop; therefore, he would get no compensation in 1956.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. However, if the Senate passes the bill today, and if it should become law within the week, then that producer could very well say, "Rather than to plant 15 percent of my tillable land to soybeans, I will let it lie idle and enter into a contract with my Government not to produce soybeans or any other crop on that 15 percent of my tillable land," and he could continue to qualify to plant his full quota of the 51 million acres as will be very soon designated by the State committee and the county committee as his individual quota. He could plant all of that to corn and be qualified to receive the \$1.50 commodity loan on the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. For these reasons, I think the amendment offered by the Senator from Iowa is reasonable and fair. It does not advance any money. It permits a farmer, if he desires not to plant soybeans or some other kind of crop, to enter into a contract immediately and to qualify himself for payment this year.

But if his crop is already in, and he wishes to make his plans and to designate them to the Secretary by December 31 of this calendar year, and if he wishes to enter into a long-term contract, it will be permissible for him to do so and still qualify to receive loans upon his full acreage allotment planted to corn.

Mr. HICKENLOOPER. The effect of the amendment will be felt in the event that an acreage reserve program is not established for this particular crop year. The only thing left open would be a conservation reserve program. If the acreage reserve program goes into effect this year, then the farmer would have to underplant his corn acreage if he wanted to go into the acreage reserve program.

Mr. THYE. That is correct.

Mr. HICKENLOOPER. I shall not labor the point. The matter came up yesterday. Really, this is a suggestion of the Department of Agriculture. It is not my original suggestion. I could see the justice of it.

I hope the chairman of the committee will see fit to take this amendment to conference. If there is something wrong with it, it can be rejected in conference. If further examination shows merit and necessity for the amendment, then the conferees may retain it. I believe it has merit. I believe if an acreage reserve program is not considered feasible this year in the Corn Belt, something like this amendment is needed in order to get the necessary acreage into the reduction program.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. THYE. Mr. President, what we want to do is to get as many acres out of crop production in this calendar year as is possible, because what we are confronted with is surpluses. Surpluses are not going to be reduced unless the number of acres which are to be harvested is reduced. If there is provided in a measure an inducement not to plant and not to have the crop to harvest, the overall surplus will be reduced. With the present corn allotment, as provided in the bill, at 51 million acres, and the provision to set aside acres and have them lie idle, and to compensate the farmers for the idle acres, there is a basis for having the feed producer, such as the producer of sorghum grains, barley, rye, and oats, obtain relief. There are going to be considerable acres planted to corn. There are going to be fewer acres planted to barley, oats, and sorghum grains, because the producer of the latter crops has the opportunity under the program to be compensated for the acres he keeps idle.

In this calendar year there can very well be accomplished a very great reduction in the quantity of overall feed grains which will be grown, and at the end of the calendar year there will be a much improved surplus feed or commodity situation in this land.

For that reason, Mr. President, I believe that the amendment offered by the Senator from Iowa will help us to bring about contracts with the Government whereby certain tillable acres will lie idle, which will reduce the overall feed

supply or crop supply in the coming calendar year.

I support the amendment.

Mr. ELLENDER. Mr. President, I hesitate to differ with my good friend from Iowa. As he well knows, the committee discussed the question of whether or not there should be advance payments for soil-bank participation. I realize that the amendment which is proposed does not purport to deal with advance payments. As I stated earlier, it is not the purpose of soil-bank payments to increase the income of farmers per se; farmers could obtain the equivalent of those payments by planting their land instead of putting it into the soil bank. Thus, such payments would result in no increase in farm income. Too, if a farmer received a payment in 1956 for soil-bank participation in 1957, the amount of that payment would be subtracted from his 1957 income. The soil bank would permit farmers to take allotted and planted acres out of cultivation; production would thus be reduced—and surpluses reduced.

If the amendment, as suggested, were adopted, what would happen? A grower of corn could plant his base acres. He could use the remainder of his cultivated acres to plant other crops which are now in surplus. As soon as those crops were gathered, he could say, "We will set aside these acres." He could do so anytime before January 1. Certainly, this would not accomplish what we had in mind when we agreed to increase corn acreages from 43 million acres to 51 million acres. We conditioned that 8 million-acre increase upon corn farmers putting the equivalent of 15 percent of their base acreage into the soil bank. Adoption of the pending amendment would simply mean that the farmers of Iowa and the farmers of any other commercial corn-producing State would get a bonanza. This is just a rather concentrated dose of the same kind of favored treatment commercial corn has already received in abundance. It would be possible for a corn farmer to get price support in 1956 by, in effect, merely promising to participate in a 1957 soil bank. He could plant his full corn allotment, plant the remainder of his farm to a secondary crop, harvest and sell that secondary crop anytime before January 1 of 1957, and still get compliance price support. Not an acre would have been taken out of production in 1956.

I submit this is not what was contemplated by the Senate committee. Surpluses cannot be reduced by merely signing a contract to perform some act in the future. A contract should provide that if a farmer desires to place any of his cultivated acres into the soil bank, he must agree not to plant anything on that land—to not produce any feed, or other crop of any kind, in order to make himself eligible for payments.

As I understand the amendment, it would permit the Secretary of Agriculture to consider as taken into the soil bank in 1956 acres that are planted to crops and from which crops have been harvested. The difficulty is that although he does not set them aside, the farmer merely designates them before January 1, 1957 for the soil bank in

1957 he has already produced on those acres a crop which he should not have produced, if the soil bank theory, as I understand it, is to be adhered to.

Mr. President, the House has voted down any proposal which smacks of advance payments. I believe the proposal was not submitted to the Committee on Agriculture and Forestry for the reason that it was known the committee was opposed—

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. HICKENLOOPER. I disagree with the Senator on the matter of the proposal to the Senate committee. The Senator may not have been present at the moment, but I offered in the committee the amendment, which was called the Hope amendment in the House, and which provided for advance payments. I withdrew that amendment, or the offer of it, based on the specific assurance which is contained in the report, not only of the House, but of the Senate, that payments would be eligible, under the language of the bill itself, when the land had been set aside and the practices had been begun—which to me was satisfactory.

Mr. ELLENDER. I did not mean to say that the committee did not discuss the proposal, but what I meant to say was that the committee took no action on it.

Mr. HICKENLOOPER. I agree with the Senator on that phase of it.

Mr. ELLENDER. I apologize if I said anything different; that is the impression I intended to convey. The Senator recalls that we placed language in the report that a farmer would become eligible for payments, under the conservation-reserve program, in cases where he set aside that land but may not have the grass seed to grass the land, or may not have the trees to plant on those set-aside acres.

Mr. HICKENLOOPER. Not alone the conservation acres, but also the acreage reserve.

Mr. ELLENDER. That is correct. It is possible to do that; it is in the report.

Mr. HICKENLOOPER. Yes; it is in the report.

Mr. ELLENDER. I hope the Secretary of Agriculture will be able to carry out both programs in the case of corn; and I think he can to a large extent—provided we get the bill to the President, and provided he signs it, by Monday or Tuesday of next week.

But the point I am raising here is that if we were to adopt this amendment, as I understand it, it would run counter to the soil-bank concept. Under this amendment, a farmer would sign an agreement to set aside acres in the future—acres on which he would now be growing a crop. That is far beyond the concept of the soil bank. It is a concept which, in my humble judgment, is closely related to the advance payment idea which was so objectionable to the House of Representatives, and which certainly should be objectionable to the Senate.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I certainly assure the Senator from Louisiana that it is not my understanding that upon signing a contract, advance payment would be given. I do not think there is in the amendment anything which would result in that. I think the language is still the same—namely, that the land must be set aside and the practices under the contract must be begun before payment can be made. That we agreed to.

Mr. ELLENDER. Yes; but the land could be planted this year, and the crops grown thereon could be gathered, and then the contract could be signed. As I understand the amendment of the Senator from Iowa, that is what it would permit.

I believe that under the language of the bill as it is now presented to the Senate, ample opportunity would be given to any farmer to set aside a given number of acres for the conservation reserve. He could make up his mind now—as soon as this bill passes—to set it aside and not to plant crops on it.

But as I understand the amendment of the Senator from Iowa, a farmer would have until December 31, 1956, to sign the contract, and in the meantime he could put crops on those acres, harvest those crops, and compete with many—

Mr. HICKENLOOPER. But he would not get paid for it.

Mr. ELLENDER. No; he would not get soil bank payments, but he would get increased price support. But why not let the soil bank remain as the committee contemplated; why not have the contract entered into and the support available provided the farmer actually sets aside that land, and provided the farmer does not devote those acres to any crop which will further aggravate our existing surpluses.

I thought the Senator from Iowa was satisfied—

Mr. HICKENLOOPER. This amendment is offered only against the possibility that the acreage reserve may not be feasible this year.

Mr. ELLENDER. I thought the Senator from Iowa was very well satisfied with the language which was placed in the bill. We raised a pertinent question, I may say—

Mr. HICKENLOOPER. I am satisfied with the language in the bill and the interpretation in the report, which I think is clear—at least, to me—

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. But we did leave in the bill provision for the exercise of discretion by the Secretary as to whether the acreage-reserve program would be put into effect this year; and the fundamental reason for that was the question as to whether it would be feasible or workable.

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. I want to get as much acreage committed to either the acreage reserve or the conservation reserve as possible.

Mr. President, I do not care to pursue the amendment any longer; I think all of us understand it.

I merely suggest that the Senator from Louisiana take the amendment to conference; and if in conference, upon study and examination, it is considered that the amendment is not a sound one, the conference committee does not have to accept it. But if upon later examination the amendment is considered to have merit, the conferees on the part of the Senate could insist upon it.

Mr. ELLENDER. Under the rules, if the Senate adopts an amendment, the conferees on the part of the Senate have to strive for its adoption by the conference committee. Personally, as I understand the amendment, I cannot "go" for it; I shall be frank with the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, the Senator from Louisiana has been in the Senate for many more years than I have, but I have seen many, many amendments taken to conference for examination, even though the chairman of the committee has stated that he did not particularly favor the amendment, but stated that he was willing to take it to conference, for study, and to examine it, as to its merits or demerits.

Mr. ELLENDER. Mr. President, if the Senator from Iowa wishes me to take the amendment to conference, for study, I have no objection. But for the Senate to adopt the amendment, with the understanding that the conferees on the part of the Senate would work to have it included in the conference bill, is something else. Personally, I would be opposed to it. I prefer to be frank with my good friend, the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I appreciate the Senator's frankness. He is always frank in stating his position. I am only attempting to say that this matter came up only yesterday evening, as a matter of fact. Frankly, I have not had time to look at all phases of the matter. If there are contingencies—

Mr. ANDERSON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I have been trying to understand the amendment. I understood that it was a Department of Agriculture amendment. I talked to the Secretary of Agriculture, and I do not believe he is familiar with the amendment.

I have been handed, by the able Senator from Vermont [Mr. AIKEN], an explanation which he has received; and I wish to check it with the chairman of the committee.

Mr. HICKENLOOPER. I have an explanation which comes from the Department of Agriculture. I do not know whether the Senator got the explanation from—

Mr. ANDERSON. I got it from the Senator from Vermont [Mr. AIKEN], and it is authentic.

Mr. AIKEN. They are identical, and they were given to me by counsel for the Department of Agriculture.

Mr. HICKENLOOPER. Mr. President, I do not know whether the Secretary of Agriculture knows anything about it, but certainly his agents know.

Mr. AIKEN. Mr. President, it is my understanding that the amendment will permit the grower who keeps within his share of the 51 million acreage reserve this year to qualify for the supports if he agrees before December 31, 1956, to put 15 percent of his cropland into the reserve for the next year.

Mr. ELLENDER. Yes; for the following year.

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. But he is permitted to plant that acreage in 1956.

Mr. AIKEN. Up to 51 million acres.

Mr. ELLENDER. As to corn, yes; but he would also be able to plant the land he promises to put in the soil bank to other crops.

Mr. ANDERSON. Mr. President, I wish to say that this amendment, if agreed to, would provide 25 cents a bushel more this year, for something to be done next year.

Mr. ELLENDER. That is right. In other words, it provides for an advance payment.

Mr. HICKENLOOPER. No, Mr. President I do not agree. The farmer will have to keep within his allotment anyway.

Mr. ELLENDER. That is, if he is to receive the \$1.50.

Mr. HICKENLOOPER. Yes; but not if he is to receive the \$1.25. This is not necessary if he is to receive the \$1.25. But it does protect the conservation reserve.

Mr. AIKEN. Under the present law, the farmers would have to reduce, to 43 million acres this year. That was increased to 51 million acres, with the understanding that the corn farmers would have to put an acreage equal to 15 percent of that in the soil bank. By means of this amendment, we would give them 51 million acres on which to produce corn, and do nothing about placing acreage in the soil bank this year.

Mr. ANDERSON. That is exactly correct.

Mr. ELLENDER. As a matter of fact, as I have pointed out, the farmer could plant the land and could gather the crop from it, and then could set aside 15 percent of the land from which he gathered the crop in 1956. I find no essential difference between that and an advance payment. It is really an advance payment.

Mr. HICKENLOOPER. I do not agree that it is advance payment. However, Mr. President, I do not care to discuss the matter further. I think the amendment has merit. I hope it can be taken to conference and examined there. If it cannot be, well and good. I am prepared to have the Senate vote now on the amendment, and to yield back the time remaining under my control, if those on the other side are prepared to yield back the time remaining under their control.

Mr. ANDERSON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I wish to ask a question of the chairman of the committee. It has been said that the amendment should be taken to conference, and that if in conference there were objection to the amendment, it could be taken out of the bill while the bill was in conference.

But what if the House accepts the Senate amendments, and does not request a conference? In that case, the amendment will be in the bill.

I think the amendment is a dangerous one, because I do not know what it would do to other feed grains. I do not think it ought to be accepted.

Mr. ELLENDER. Neither do I.

Mr. HICKENLOOPER. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. At the end of title 3 it is proposed to insert the following:

WHEAT USED ON FARM WHERE PRODUCED

SEC. 309. That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1955 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"(2) That such entire crop of wheat is used for seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner, or operator of the farm;

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm."

Mr. BYRD. Mr. President, this amendment was adopted by the Senate last year but was not concurred in by the House. It simply provides that when a farmer has excess wheat he may feed the excess wheat on his own farm, or may use it for seed or for any other purpose on the farm. In the valley of Virginia suits have been started by the Department of Justice against certain farmers to fine them because they are using their excess wheat to feed to their own stock.

The purpose of this amendment is to remove any penalty from a farmer who raises excess wheat and feeds the wheat on his own farm.

I believe the distinguished chairman of the committee has indicated that he would accept this amendment, because it was adopted by the Senate last year.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The Senate has had under consideration the same provision in a separate Senate bill, and it was also included in H. R. 12. The Committee on Agriculture and Forestry has passed upon it many times. My good friend from New Jersey [Mr. SMITH] had it adopted earlier this year. So far as I am personally concerned, I see no objection to it.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. THYE. If a farmer produces wheat for his own poultry or hogs or dairy cattle, there is no reason in the world why the Government of the United States should in any sense try to dictate to him. If he does not plant the land to wheat he is going to plant it to barley or some other grain which is adapted to the particular area.

I think the amendment is entirely proper. There is no reason in the world why a farmer should not be privileged to seed what he wishes to seed on his own acres, and to harvest the crop and use it on the farm as he sees fit, so long as he does not put it into the channels of the market, or send it to be processed or traded with someone else to replace someone else's wheat. I think the amendment is a good one.

Mr. ELLENDER. As the Senator well knows, the Committee on Agriculture and Forestry has approved this very provision on several occasions, and I do not know of any opposition to it.

I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

This amendment is identical to S. 46, which was passed by the Senate on March 28, 1955, but which has not been reported by the House Committee on Agriculture. It would exempt wheat producers from marketing penalties, beginning with the 1955 crop, if such producers used the entire crop produced on the farm for seed or feed on the farm. This amendment would be retroactive to forgive claims for marketing penalties under the 1955 crop. A provision similar to this one was included in the Senate amendment to H. R. 12, but was rejected in conference.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ALLOTT. As I understand, the farmer would still have to comply with his allotments, if any.

Mr. ELLENDER. Yes; in order to receive price support.

Mr. ALLOTT. This amendment would apply only to the surplus stored on the farm.

Mr. ELLENDER. It would apply only where the entire wheat production was used on the farm for feed or seed.

Mr. ALLOTT. I wish to associate myself with the remarks of the Senator from Louisiana and the Senator from Minnesota. I think the provisions of this amendment should be adopted.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, on behalf of my colleague [Mr. FULBRIGHT] any myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The CHIEF CLERK. On page 34, between lines 4 and 5, it is proposed to insert the following:

SALES OF RICE UNDER PUBLIC LAW 480

SEC. 204. (a) Section 101 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof the following: "The President shall exert every effort to consummate agreements with oriental countries under this session for the sale of rice so long as rice remains a surplus agricultural commodity."

(b) Section 108 of such act is amended by adding at the end thereof the following: "Each such report shall fully describe negotiations for agreements for the sale of rice which have occurred since the last purchase report, and no offer by any country to enter into an agreement for the purchase of rice under this title shall be rejected until the details of such offer shall have been reported to Congress."

Mr. McCLELLAN. Mr. President, the amendment which I have just offered on behalf of my colleague and myself would merely require the President to make every effort, under section 101 of Public Law 480, to consummate agreements with oriental countries for the sale of surplus rice for foreign currency.

Section 101 of Public Law 480 authorizes the Secretary to enter into such agreements. This amendment would urge him to do so. It is our understanding that the State Department is currently holding up such an agreement, and this amendment would encourage prompt consideration of that agreement.

I have been asked whether it is mandatory. It is not mandatory. It is merely an expression of urgency in an effort to try to consummate these agreements. The amendment would also require the President to include in his reports to Congress the facts concerning negotiations for agreements for the sale of rice, and to withhold the rejection of any

country's offer to purchase rice until the details of such offer could be reported to Congress. I trust the amendment will be accepted. I have made the explanation of it according to the information I have received from the committee as to what the effect of the amendment will be.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ALLOTT. Without any commitment as to my position on the amendment, I should like to invite the Senator's attention to the last page of the amendment on page 2, starting in line 2, apparently something has been omitted, because the last sentence does not make sense as it now reads. It reads: "and no offer by any country shall enter into an agreement for the purchase of rice," and so forth. An offer cannot enter into an agreement.

Mr. McCLELLAN. I believe that should refer to a country entering into an agreement. I ask unanimous consent to strike out the word "shall" in line 3 of page 2 of the amendment, and to substitute the word "to." That part of the sentence would then read: "and no offer by any country to enter into an agreement for the purchase of rice under this bill shall be rejected," and so forth. I so modify my amendment, Mr. President.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

Mr. ELLENDER. Mr. President, I should like to ask a question of the distinguished Senator from Arkansas. Am I to understand that under the proposed section 204 (b) any agreement entered into between the President and any foreign government would have to be submitted to Congress, and no action could be taken on it unless Congress passed upon it?

Mr. McCLELLAN. No; that is not correct. It provides that each report the President submits in connection with the negotiations shall describe the negotiations for agreements, and no offer by any country to enter into an agreement shall be rejected until the details of the offer shall have been reported to Congress.

Mr. ELLENDER. Does that not in effect give Congress the veto power in such negotiations?

Mr. McCLELLAN. No; it does not give any veto power to Congress. The power to reject is still vested where it is now, except that the details of an offer shall be reported to Congress, so that Congress may have information about the offer. Congress cannot veto it. It only gets a report.

Mr. ELLENDER. But it would give the Congress an opportunity to take legislative action, if it thought that necessary. I wonder whether the Senator would be willing to modify his amendment to make it more or less a directive to the President to dispose of this rice, and to strike out section 204 (b). I am afraid it might cause difficulty in the House, thus raising the possibility of delay in enacting farm legislation.

Mr. McCLELLAN. I may say to the distinguished Senator that the amend-

ment as proposed, in subsection "a", makes it an urgent request to the President.

Mr. ELLENDER. I understand there is not much objection to that part of the amendment, but subsection "b" is the one to which I have heard determined opposition expressed.

Mr. McCLELLAN. I ask my good friend to take the amendment to conference and there give it further study.

Mr. ELLENDER. We are hopeful that it may not be necessary to have a conference on the bill, so that it may be enacted promptly without too much delay. That is the primary reason I ask the Senator to delete the second paragraph.

Mr. McCLELLAN. I will say to my good friend that that is a very optimistic hope.

Mr. ELLENDER. That may be; but it is possible that the bill may be enacted without a conference. If the Senator will simply make his amendment a directive to the President to make every effort he can to sell the surplus rice, and eliminate section 204 (b) I believe he would increase the possibility of the bill not having to go to conference.

Personally, I am in full accord with the Senator's view that as much rice as can be sold abroad should be sold. I think the administration has been dragging its feet in this matter, but—in all due regard to the Senator—I urge him to modify his amendment so as to increase the possibility of this bill not having to be sent to conference.

Mr. McCLELLAN. Of course, I wish to cooperate. I know the Senator is aware of that fact. If he believes the bill will not go to conference, and if he believes it will help to get the bill through if I modify the amendment, of course I shall be happy to modify it. I am sure the Senator knows the conditions with respect to our rice surplus and how they have been aggravated, and the urgent necessity of trying to dispose of the surplus.

We have seen instances in connection with amendments to the bill of a department of Government apparently pretty well dictating the policies of this country with respect to foreign trade. I have had a little experience along that line recently in the course of my committee's investigations. I should like to have Congress make some expression in this regard, and I hope the Senator will take the amendment to conference.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HICKENLOOPER. Did I understand the Senator to modify his amendment with respect to subsection (b)?

Mr. McCLELLAN. No; I have not modified it as yet in that regard. I pointed out that the provision is not mandatory. I said that Congress does not have a veto power under that subsection.

Mr. HICKENLOOPER. I shall wish to say something about that point a little later. However I suggest that beginning in line 4 on page 1 the Senator amend the sentence so to provide that the President shall exert every reasonable and

proper effort, instead of the present language. The words "shall exert every effort" are rather inclusive and mandatory. It would seem to me that the President, under that language, would have to employ the whole machinery of Government if he were to make every effort. It would appear to me that every possible effort would encompass every phase of the Government.

Mr. McCLELLAN. I believe that in the accepted use the term "every effort" it is understood that the purpose is to urge the President to make every reasonable effort, of course.

Mr. HICKENLOOPER. If the Senator were to provide that the President shall make every reasonable effort, that would be all right, I believe.

Mr. McCLELLAN. I should think the words there would have that connotation. There is no other intention of course.

Mr. HICKENLOOPER. The words in the language now in the amendment are subject to the interpretation I have suggested.

Mr. McCLELLAN. If the Senator from Iowa would agree to the amendment with that modification, I would have no objection to modifying the language to read that the President shall make every reasonable and proper effort in that connection.

Mr. HICKENLOOPER. I believe that that comes very much closer to what I consider the Senator's intention to be.

Mr. McCLELLAN. Of course, the President does not have to make other than a reasonable and proper effort. That seems to be implied.

Mr. HICKENLOOPER. I wish to discuss the latter part of the amendment also.

Mr. McCLELLAN. Then I shall wait with my modification until the Senator has made his remarks.

Mr. AIKEN. I do not believe that the Senate should accept this amendment. It directs the President to do what the Secretary of Agriculture is already doing. This spring we sold about 10 million hundredweight of rice to Indonesia and Pakistan. There is a report current that India is in the market for a great deal of rice. I do not understand that to be the fact. I understand that India is in the market for other commodities, but that it can purchase rice from neighboring Asian countries.

Mr. LANGER. Our Ambassador to India, Mr. Cooper, said that India is in the market for wheat and cotton.

Mr. AIKEN. Yes; for wheat and cotton, and also for dairy products. I believe some people have the mistaken idea that we can sell India some rice, when, as a matter of fact, if I am correctly informed, the Indians do not want to buy our rice, but want to trade with the neighboring countries of Burma and Thailand in order to get their rice.

Furthermore, Mr. President, the second part of the amendment, stating that no offer by any country shall be rejected until the details of such offer shall have been reported to Congress, makes Congress the arbiter of every proposed deal where there may be a little difference of opinion as to the price.

I do not believe Congress wants to make the determination of whether an offer for the purchase of rice from some Asiatic country, which might involve a great many technical details, shall be accepted or not. I do not believe we want to place Congress in that position.

Why should we instruct the Secretary to do what he is already doing? He sold almost all the rice the Commodity Credit Corporation had, until the receipt of the new crop.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. ANDERSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. Sales of rice to oriental countries have to be made under one section of an act. Suppose someone offered cash? I do not quite understand the purpose of the amendment. It provides clearly that it must be done under the soft-currency section of the trade act. I do not understand it Mr. President.

Can the Senator from Arkansas explain to me why we want to bar a country from paying us dollars, if it can do so?

Mr. McCLELLAN. Mr. President, we do not bar them any more than we did in the original act. It is in furtherance of the policy in the original act.

Mr. ANDERSON. But the President is supposed to exercise every effort—

Mr. McCLELLAN. To carry out the policy set forth in the original act.

Mr. ANDERSON. But the particular section of the act to which the Senator has reference provides for soft-currency sales. Why do we want to do it under that section in preference to sales for dollars or sterling?

Mr. McCLELLAN. That is a part of the policy of the act to which this is an amendment. The act declared it to be the policy of Congress to expand international trade between the United States and friendly nations and facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, and to make maximum use of surplus agricultural commodities in furtherance of the foreign policy of the United States; also to stimulate and to facilitate the expansion of foreign trade in agricultural commodities produced by the United States by providing means whereby such surplus agricultural commodities in excess of the usual marketing of such commodities may be sold through private trade channels and foreign currency accepted in payment.

Mr. ANDERSON. This is the soft-currency section of the trade act. Suppose someone wanted to buy some commodity for hard currency.

Mr. McCLELLAN. There is nothing to prevent selling for cash. The original act does not say that a sale cannot be made for American dollars.

Mr. ANDERSON. It provides for soft currency or giveaways.

Mr. McCLELLAN. Where we cannot sell for cash. That is the whole purpose of it. We can sell for American dollars, but the purpose is to try to get rid of the surplus, and, in this instance, to get rid of it for soft currency if we cannot get rid of it otherwise.

Mr. ANDERSON. If it said "If we cannot get hard currency"——

Mr. McCLELLAN. This does not say that.

Mr. ANDERSON. It says:

The President shall exert every effort to consummate agreements.

Under this section——

Mr. McCLELLAN. Section 101.

Mr. ANDERSON. That is the soft currency section.

Mr. McCLELLAN. That is correct.

Mr. ANDERSON. But, why?

Mr. McCLELLAN. Because he will not be able to get rid of the surplus for hard currency.

Mr. HICKENLOOPER. Mr. President, does the Senator from Arkansas modify his amendment as suggested a few moments ago?

Mr. McCLELLAN. Mr. President, I am willing to modify it if I know the amendment will be accepted. I do not like to eliminate anything unless I receive something in return.

Mr. President, I am perfectly willing to offer the modification. I think the first part of the amendment should be modified by inserting in line 5, after the word "every" the words "reasonable and proper."

I think that is a proper modification. I hope the amendment will be accepted.

I further modify the amendment, Mr. President, by withdrawing subsection (b). With those modifications, Mr. President, I trust the amendment will be accepted.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Arkansas. [Putting the question.]

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested.

On a division, the amendment was rejected.

Mr. CHAVEZ. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 49, between lines 8 and 9, it is proposed to insert the following:

VIRGINIA AND VALENCIA-TYPE PEANUTS

SEC. 408. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows: "The Secretary is authorized and directed to increase the allotment for any State producing Valencia- or Virginia-type peanuts upon the written request of one or more processors within such State if such processors provide the Secretary with such assurances as he may deem necessary that the peanuts produced on the additional acreage requested will be purchased by such processor or processors at not less than the parity price."

Mr. CHAVEZ. Mr. President, an amendment similar to this was adopted by the Senate when the last farm bill was passed. It has for its purpose protecting the acreage of those States—and there are about 10 of them—which have less than 10,000 acres of peanuts in production. They are States like New Mexico, Texas, and even Virginia.

This type of peanut is very limited in its acreage. The amendment provides that the acreage which those States now have shall not be reduced any further. It used to be that New Mexico had as much as 12,000 acres. Now it has 5,600 acres. We should like to have the amendment agreed to because we want to protect the 5,600 acres.

I hope the chairman of the committee will take the amendment to conference.

Mr. ELLENDER. Mr. President, an amendment similar to the amendment which has been offered by the distinguished Senator from New Mexico was adopted by the Senate and made a part of H. R. 12, but it was eliminated in conference. A while ago, the Senator from New Mexico spoke to me about the amendment. I told him that the House conferees were against this provision, but that so far as I was concerned I would leave the question to the Senate. I doubt, however, that the amendment could be retained in conference, if we have a conference.

Mr. CHAVEZ. I know the Senator from Louisiana will do his utmost on behalf of the amendment. That is all I can expect.

Mr. ELLENDER. There has been a widespread expression of opinion by many Senators that the bill should not be overloaded with amendments, so as to perhaps avoid the necessity of a conference.

Mr. CHAVEZ. I think the protection of 5,600 acres of peanuts in my State is extremely important.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back the remainder of his time?

Mr. CHAVEZ. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated "5-17-56-J" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 56, beginning with line 16, it is proposed to strike out down to line 8 on page 58.

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 8 minutes.

The amendment strikes out all of section 402 of H. R. 10875, relating to "Forest products; price reporting; research."

Section 402 would authorize the Secretary of Agriculture to:

First. Establish a system of price reporting in the marketing of such products;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

Mr. President, the authorization to do all of these things has been in the hands of the Secretary of Agriculture for more than 25 years. Making it compulsory that these things be done will require thousands of woodlot and forest owners, loggers, and forest mills to file a set of Government reports at least four times a year.

In my remarks made on the floor on March 15, 1956, I included a list of current sources of information on this subject. I shall not take the time of the Senate to read those sources now; but I refer Senators to page 4341 through page 4346 of the RECORD of that date.

Mr. President, I ask unanimous consent that for the convenience of the Senate the discussion of the amendment appearing on those pages of the RECORD may be printed at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated 3-7-56-N, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Pennsylvania.

The LEGISLATIVE CLERK. On page 48, beginning with line 3, it is proposed to strike out over through line 20 on page 49, as follows:

"FOREST PRODUCTS; PRICE REPORTING; RESEARCH"

"SEC. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

"(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as

with private agencies, and under such conditions and terms as he may deem appropriate.

"(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

"(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

"(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

"(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary."

Mr. MARTIN of Pennsylvania. Mr. President, I suggest, if it be possible to do so, that the junior Senator from Minnesota [Mr. HUMPHREY] be notified that my amendment is under consideration, because I know he is interested in opposing the amendment.

The PRESIDING OFFICER. The junior Senator from Minnesota will be so notified.

Mr. ELLENDER. I have sent for him.

The PRESIDING OFFICER. How much time does the Senator from Pennsylvania yield to himself?

Mr. MARTIN of Pennsylvania. I yield myself 15 minutes, although I do not think I will require that amount of time.

Mr. President, this amendment proposes to strike out all of section 602 of S. 3183, entitled "Forest Products; Price Reporting; Research."

Section 602 would authorize the Secretary of Agriculture to—

First. Establish a system of price reporting on forest products and sales of standing timber;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

I oppose this section for two very fundamental reasons:

First, because none of these proposals will provide any immediate or long-term benefits to farmers.

Second, because section 602 is unnecessary, as Congress has already given the Secretary of Agriculture authority to perform the work provided in this section.

The Secretary of Agriculture has had this authority for years—in the Organic Act of the Department of Agriculture of 1862, in the McSweeney-McNary Forest Research Act of 1928, and the Research and Marketing Act of 1946. Section 602 implies that farmers and other sellers of forest products cannot get prices or price information on forestry products. This is not the case.

Many States already provide information on markets and prices for forest products. For the other States there is ample authority for cooperative agreements between such foresters and the Secretary of Agriculture to provide needed information.

Economic information regarding forest products, and research to develop methods for accumulating market information, is already being done. There is no useful purpose for duplicating authority or by compelling the Secretary of Agriculture to act when a more efficient action is being and can be taken by the States, in cooperation with the Secretary of Agriculture, if the States so desire.

I have in my hand more than two dozen references to reports and publications which

represent a small sample of the coverage of this field.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, a listing of these publications and sources of information on the prices of forest products.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

"LISTING OF SOURCES OF INFORMATION ON
FOREST PRODUCTS PRICES"

"From the forest products industry"

"1. All farmers or other sellers of forest products may at any time learn the prices offered for forest products which they have to sell from any buyer, dealer, pulp mill, sawmill, or other user of forest products if the latter is in the market and within an economical shipping range. Many mills post their prices in newspapers, magazines, over the radio, mail out notices periodically, and otherwise make known to all who might be interested in their prices, specifications and needs as to volumes of forest products.

"2. Prices for pulpwood, logs, and lumber are from time to time published in industrial trade journals which reach in turn many branches of the United States Forest Service, and State forestry and extension services who have various publications or means of getting this information to farmers and other sellers of forest products.

"3. Examples of articles or tables of prices printed in trade journals are as follows:

"A. Page 98, Pulp and Paper magazine, May 1955: Pulpwood Prices in Lower Columbia River Area; Pulpwood Prices in Lake States; Trends in Prices of Southeast Pine.

"B. Page 172, the Lumberman, 1955 Forest Industries Yearbook number: Volume and Value of Timber Cut, According to Product, Southern Forest Region, July 1, 1953, to June 30, 1954. Page 173, Volume and Value of National Forest Timber Cut, 1905-54. Page 176, Comparison of Average Stumpage Prices, 1954, Forest Service Region 6; Volume and Value of Timber Cut From Department of Interior Lands. Page 178, Comparison of Average Appraised and Bid Prices for Major Species, Region 5; Comparison of Average Stumpage Prices, 1954, Forest Service Region 1. Page 179, Comparison of Stumpage Prices, Eastern Forest Service Region, 1954.

"Page 180, Average Stumpage Prices, Southwest Forest Region, 1954. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine timber included together). Page 184, Comparison of Average Stumpage Prices, 1954, Forest Service Region 3; Comparison of Average Stumpage Prices, 1954, Forest Service Region 4. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine timber included together).

"C. From compilations of Southern Pine Association, New Orleans, La. (source: U. S. Forest Service, Atlanta, Ga.): Southern Pine Stumpage Costs Based on National Forest Timber Sales—1953.

"D. Page 98, the Timberman, February 1956, Log Prices Hold at Previous Levels.

"E. Pages 134-135, the Lumberman, September 1955; Log and Lumber Prices.

"From extension foresters, State forestry colleges or departments"

"All State extension forestry departments, State forestry departments, forestry and agricultural schools and colleges have some of the most significant data on hand concerning prices of forest products or are in a position to advise farmers how to get prices. Some States issue periodic reports or occasional bulletins in this field, such as—

"A. Wisconsin Forest Products Price Review; compiled in the extension forestry office, College of Agriculture, University of Wisconsin, under the supervision of Fred B. Trenk, extension forester, the district foresters of the Wisconsin Conservation Depart-

ment, and the wood-using industries cooperating.

"B. Forest Market Report, 1952; extension service in agriculture and home economics, University of New Hampshire, in cooperation with the State forestry and recreation commission.

"C. Marketing Woodlot Products in the State of Washington; institute of forest products, department of conservation and development, 303 Anderson Hall, University of Washington, Seattle, Wash.; Bulletin No. 15, 1954.

"The United States forest experiment stations are constantly making studies, doing research and issuing reports, notes, and advice to farmers and other forest owners. Examples of some of their work in this field are:

"A. Southeastern Forest Experiment Station, Asheville, N. C.; Trends in the Price of Southeastern Pine Pulpwood, 1938-52.

"B. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 57, Pine Sawtimber Stumpage Prices in South Carolina, 1948-54.

"C. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 43, Pine Sawmilling Costs by Log Size.

"D. Pulpwood and Log Production Costs in 1945 as Compared With 1940; R. P. Reynolds, forest economist, Southern Forest Experiment Station.

"E. Pulpwood Production Costs in Southeast Arkansas, 1950; Southern Forest Experiment Station.

"F. Cost of Producing Pulpwood on Farm Woodlands of the Upper Connecticut River Valley, United States Department of Agriculture, Northeastern Forest Experiment Station, Yale University.

*"From United States Forest Service,
Washington, D. C."*

"For years the United States Forest Service has been making special studies and issuing technical bulletins such as TB No. 626, Stumpage Prices of Privately Owned Timber in the United States (July 1938).

"It used to issue each year a statistical bulletin entitled 'Stumpage and Log Prices.' These were compiled from questionnaires sent to thousands of buyers of forest products and worked in cooperation with the Bureau of the Census. This series came out annually from 1928 to 1948 except for a few years. The service still collects information of this type quarterly but it no longer publishes these bulletins which could in the past be obtained free or at a nominal charge by farmers or others interested. The service does not need any authorization to publish these bulletins, and should resume this service to tree farmers, foresters, and all buyers and sellers of forest products.

"From United States Bureau of the Census"

"Some figures on the prices paid or costs of pulpwood, sawlogs, and other forest products are collected and issued periodically in the United States Census of Manufacturers. These figures are, of course, available to all the previously listed sources of information that are in a position to get this to tree farmers, foresters, and others concerned."

Mr. MARTIN of Pennsylvania. Mr. President, the essentials of section 602 were contained in S. 2105, a bill introduced by my distinguished colleagues, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Alabama [Mr. SPARKMAN], in the first session of this Congress. Without public hearings having been held, we now find the terms of S. 2105 appearing as section 602 of S. 3183.

I am sure the matter was discussed in committee, but those who would object to section 602 have not been given an opportunity to be heard.

It is strongly suggested that the purpose of section 602 (d), calling for a study, is a

prelude to "recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices on such products."

Mr. President, we are all interested in farm legislation, and we should concentrate on a solution of the problem of farm products prices and the increasing farm surpluses. I am opposed to extending this to forest products.

I realize that the reference to parity prices is not in section 602 now, but the study contemplated is still called for.

We should see that this proposal, involving additional Federal expenditures and costly, unnecessary reports, in a field that has little bearing on the farm problem, should have a full and complete hearing.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I understand the Senator to say the text of S. 2105 was in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. Yes. I think that is correct.

Mr. ANDERSON. Is the Senator aware that S. 2105 was very drastically changed by the Committee on Agriculture and Forestry, and that what the Senator has been talking about is something that is not in that bill?

Mr. MARTIN of Pennsylvania. I beg to disagree with the distinguished Senator from New Mexico. It does call for making these reports.

Mr. ANDERSON. What is wrong with the making of a report?

Mr. MARTIN of Pennsylvania. Referring to my own State, half of Pennsylvania is covered with woodland. Owners are now cutting second growth timber for pulpwood and chemical wood, and those small owners do not want to be worried with having to make these quarterly reports.

Mr. ANDERSON. The Secretary is the one who is going to make the reports, is he not?

Mr. MARTIN of Pennsylvania. How will he get the information if he does not get it from the owners?

Mr. ANDERSON. Subsection (d) of section 602 of the bill provides:

"The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products and within 2 years thereafter he shall report thereon to the Congress."

Does the Senator object to that?

Mr. MARTIN of Pennsylvania. Mr. President, I have great confidence in the Senator from New Mexico, but I do not see how the making of such reports would be of any advantage to the owners of these small tracts of woodland which exist in many places in the United States. That is becoming quite an industry. In my own State farmers farm their land during the agricultural season, and in the wintertime they cut timber for pulpwood and chemical wood. It used to be done for pit posts, but such use has been supplanted by steel. I think the making of the reports is an unnecessary expense to such owners. I do not see how it will be of any advantage, as far as the farm bill is concerned.

Mr. ANDERSON. May I say to the able Senator that timber is still a crop in many areas, and, therefore, is part of a farm bill. The committee from which the bill has been reported is the Senate Committee on Agriculture and Forestry, and it seems to me that forestry is a part of the activities of the committee and that it belongs in a farm bill.

I believe what the Senator has been objecting to is something that was in S. 2105, but it was eliminated from the bill when it was before the Committee on Agriculture and Forestry. I have in my hand a copy of S. 2105, which the Senator has the privilege to examine, if he wishes. The language in it was that the Secretary of Agriculture should collect all that information, and make his

recommendations as to an appropriate formula for the establishment of parity prices for such products.

That is what stirred up all the protests from the sawmill operators, but when the language was changed by the Committee on Agriculture and Forestry so it bore no relationship to that, I understand all those people withdrew their opposition to it.

I am not sure the Senator from Pennsylvania has the latest information on the bill, because when we eliminated the provision requiring the persons affected to submit a report, the forest people agreed to it. I know the able chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] had protests from his State, but when the forest people found out that language had been eliminated, they agreed that the bill was satisfactory.

I wondered if there are operators in Pennsylvania who object to the Secretary of Agriculture's making the report. We have taken out of the language the provision that the sawmill operators, generally speaking, objected to, and that was arriving at a parity formula.

Mr. MARTIN of Pennsylvania. I agree fully that this is a matter for the Committee on Agriculture and Forestry, because forestry, particularly what we in our State call small woodlots, is a very important segment of agriculture. In my own State there is a payroll in the forestry industry which amounts to about a half million dollars. It has really become a big business. As I stated a moment ago, half of Pennsylvania is covered with woodland. With the exception of probably 10,000 acres, the timber is all second growth. Our people feel this is just a step for requiring a quarterly forestry report, which will require a great deal of effort. Farm people do not have the clerical help to make reports of this kind.

In addition to that, it seems to me it involves an additional expense. It probably means that the Secretary of Agriculture will have to have a payroll for additional employees.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. I think my good friend, the Senator from Pennsylvania, has already made the point that—as has already been pointed out—the language to which we are now referring is not the language of the bill (S. 2105), to which there was objection. Instead, the Senator from Pennsylvania is speaking of the fear that these farmers will have to do considerable clerical work in making the reports.

However, if the Senator from Pennsylvania will note subsections (b), (c), and (e) of section 602 of Senate bill 3183, the pending bill, as those subsections appear on pages 48 and 49, he will note in subsection (b) a provision that—

"The price supports made by the Secretary * * * shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate—"

And so forth. Then in subsection (c), we find that—

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to co-operate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

So the entire purpose here is, as has been stated by the Senator from Pennsylvania in the course of his own argument, to provide to the very large number of small-timber

farmers, accurate economic and statistical information in regard to current price trends. Throughout the Nation there are thousands and thousands of timber farmers who have no means at all of knowing what the overall market price for various types of timber is unless they obtain that information from the large timber companies. It seems to me that when statistical information is being presented by the Department of Agriculture in regard to practically every commodity one can think of, except timber—

The PRESIDING OFFICER. The 15 minutes yielded to himself by the Senator from Pennsylvania have expired.

Mr. HUMPHREY. Mr. President, will the chairman of the committee yield some time to me?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Louisiana.

Mr. President, it appears that, because of the very lack of such information, there is need for the compilation of such statistical and economic reports.

The language of Senate bill 2105, to which there was some objection, required that the Secretary set up a formula for a parity-price structure. But that language has been stricken from the pending bill, Senate bill 3183.

The only purpose at all in this case is to give timber farmers a chance to market their products under conditions under which they will know what the going market price is, rather than to have to have the big lumber companies say to them, "This is the price." No one in the world would want to operate on such a basis. The Department of Agriculture, the Department of Labor, and the Department of Commerce prepare statistical material on practically every conceivable subject, save timber.

Mr. FLANDERS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. FLANDERS. The Senator from Pennsylvania has described a forest situation which seems to me to be almost a duplicate of that existing in my own State.

What I do not understand is why that is not an argument for having price reports from the Department of Agriculture, for somewhat the reasons as those stated by the Senator from Minnesota. I do not know what the purchasers of lumber in my State think about the matter; but I feel very safe in saying that the producers of lumber from small tracts would strongly welcome such price reports, and would be grateful for them.

I hope we shall not make it impossible for them to take advantage of such reports.

Mr. MARTIN of Pennsylvania. In answer to the distinguished Senator from Vermont, let me say that before he entered the Chamber, I submitted a long list of places in various parts of the United States where that information can be obtained. I have not received any complaint from a single small woodlot owner in my State that he has not been able to secure this information. But I have received a considerable number of complaints that they are fearful that they may be required to make quarterly reports, and that this provision will be the first step in requiring them to do so.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. In view of the market quotations the Department of Agriculture issues on milk products, on cereal grains, and fruits and vegetables, and on practically every other commodity one can think of, I think it is fair to say that the farmers themselves

are not required to make quarterly reports.

Generally, there is cooperation by the local State marketing services, along with whatever Federal agencies may be operating in the area—and with all of them directing their activities to the study of these particular commodities, and working in cooperation with the Department of Agriculture. I know that is the situation in our State, and I am sure it must be a rather universal situation—namely, that a State agency works with the Federal agency, in connection with these marketing reports.

Mr. AIKEN. Oh, yes. So far as I know, all the State agencies favor the issuance of this information. As I understand, the Forest Service now has authority to issue most of the reports contemplated by the section, but it never has had appropriations with which to do the work.

The original proposal of the Senator from Minnesota contained a proviso for establishing parity prices for forest products. I think it would be almost impossible to do so, because 1 stand of timber might be worth \$25 a thousand, and an identical stand only a mile away might not be worth \$10 a thousand on the stump, because of the terrain.

Mr. HUMPHREY. As in the case of many proposals, when we get them under the light of examination, we find their weaknesses.

Mr. AIKEN. Yes.

Mr. HUMPHREY. "So we withdrew that provision; and the bill does not now contain any direction at all for the establishment of parity prices for forest products. But the bill does contain a direction for the issuance of marketing reports, in the provision on page 49 that—

"The Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes more.

Mr. HUMPHREY. Mr. President, I merely say that we are here dealing with two features of the bill. One of them calls for the preparation and issuance of marketing reports; the other relates to the stimulation of research and investigation—and I now read from the provision—"to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting, and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

It seems to me that part of the bill has great economic value.

Mr. ELLENDER. The Senator from Minnesota is referring to section 601 and section 602 of the bill, in title VI, beginning on page 46—the section relating to reforestation programs, is he not?

Mr. HUMPHREY. That is correct. That is the proposal the Senator from Vermont sponsored—a proposal which I believe is long overdue; and I believe it may amount to one of the greatest advances in forestry that has been made in years. I refer particularly to section 602, under the heading "Forest Products; Price Reporting; Research." It deals with the marketing of forest products.

Mr. MARTIN of Pennsylvania. My amendment proposes that all of section 602 be stricken from the bill.

Mr. HUMPHREY. Mr. President, the Senator from Pennsylvania and I have had some personal conversations about this subject.

Let me say, in passing, that I have just left the Senate restaurant, to return to the floor; and I left at my table in the restaurant a platter of wonderful roast beef. It is unfortunate to have to do that.

Mr. MARTIN of Pennsylvania. I am very sorry that occurred.

Mr. HUMPHREY. However, let me say that I think the Senator from Pennsylvania and I understand each other's positions now, particularly in light of the original proposal contained in Senate bill 2105, requiring the Secretary to set up a formula for a parity price structure. That provision of Senate bill 2105 has been deleted from the bill which now is before us; but the pending bill—S. 3183—still contains the provisions to which we have just referred, namely, those dealing with price reporting and research in the case of forest products.

I have received telegrams and letters on that subject; and I have replied that the language calling for a formula for a parity-price structure for forest products has been eliminated from this bill, and that in the pending bill we have included provision for the minimum which should be done, namely, bringing up to date the reporting services of the Department of Agriculture. I hope that provision will be left in the bill.

Mr. MARTIN of Pennsylvania. Mr. President, I may say that the principal objection I have received to this part of the bill comes from our Pennsylvania Department of Forests and Waters. It claims that it already is giving this kind of service; and it says that this section of the bill will call for a duplication and for an additional payroll on the part of the Federal Government which will be unnecessary.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I correctly understand the Senator from Pennsylvania to say that the Pennsylvania Department of Forests and Waters has been making a study of price trends and relationships for basic forest products, such as is mentioned in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. That is correct.

Mr. ANDERSON. Has that department published anything on that subject?

Mr. MARTIN of Pennsylvania. It has issued bulletins; and any citizen of the Commonwealth has a right to get in touch with our department of forests and waters. That department has been doing this work for several years.

Mr. ANDERSON. It has been issuing reports on price trends?

Mr. MARTIN of Pennsylvania. It studies all such matters, including the matter of additional output for forest products.

Mr. ANDERSON. Does the Senator from Pennsylvania happen to have one of that department's reports with him?

Mr. MARTIN of Pennsylvania. I do not, I am sorry to say.

Mr. ANDERSON. It has been a well-kept secret.

Mr. MARTIN of Pennsylvania. It has not been in Pennsylvania.

Mr. COTTON. Mr. President, will the gentleman from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 5 additional minutes.

I now yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I wish to say to the Senator from Pennsylvania that I desire to associate myself with him, in support of his amendment.

In my State we have a pulp and paper industry which has been struggling to hold its own for a long period of time. If section 602 means anything, if it has any force or ef-

fect, it will lead to the establishment of the kind of reporting service and the kind of investigating service which will mean the requirement of reports and statistics to satisfy every snooper who comes along to get statistics on everybody's business.

My people are extremely apprehensive, not with respect to what section 602 provides on the face of it today, in this measure, but what it may lead to. If it is as innocuous as I am sure it is believed by its proponents to be, the service and the information can readily be obtained by the Department of Agriculture without the authority proposed to be written into this farm bill. If it has any force or effect, it may lead to all kinds of reports.

My people would have desired to appear before the committee with regard to this section if they had been given the opportunity. While I am sure that this provision was placed in the bill with perfectly good intent, I must commend the Senator from Pennsylvania for his amendment.

I think section 601 is thoroughly justified. In view of the fact that section 602 was not placed in the bill as the result of hearings, and in view of what it may lead to, I think section 602 could well be deleted without unduly weakening the effect of the bill.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield so that I may ask the Senator from New Hampshire a question?

Mr. MARTIN of Pennsylvania. I yield to the Senator from New Mexico.

Mr. ANDERSON. Section 601 was also placed in the bill without hearings. Would not the Senator like to strike that too?

Mr. COTTON. No.

Mr. ANDERSON. That gives the State something.

Mr. COTTON. If something good is in the bill without hearings, I am for it. But if I am afraid of something in the bill, which has been placed there without hearings, I am against it.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, with regard to the local sentiment with respect to the proposed operation, I think I can say confidently to the Senator from Pennsylvania that my own people in the State of Vermont have become increasingly interested in obtaining a better commercial return from their hardwoods. They have just awakened to the fact that they live in one of the finest hardwood producing regions in the country, and that they have never been accustomed to making a business out of the exploitation of those hardwoods. From conversations and correspondence which I have had, not directly with relation to section 602, but with relation to the problem of getting a substantial return from one great natural resource, I feel safe in saying that the people of our State would be thoroughly in favor of section 602.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator from Louisiana has 20 minutes.

Mr. ELLENDER. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I merely wish to invite the attention of the Senator from New Hampshire [Mr. COTTON] to the fact that under the terms of the bill the Secretary is not only authorized to establish a price reporting service for basic forest products, but he is directed to do so.

The opposition which I have encountered with respect to this section comes from the lumber companies. I have received several letters and telegrams from that source. Some of the largest timber and lumber firms in America have their headquarters or

their bases of operations in the State of Minnesota. I regret that they have not shown an interest in this reporting service, but I also say that the small timber farmer, who is an important part of the agricultural economy, is entitled to fair, prompt, accurate, economic information as to his market prices. Today he is at the mercy of the purchaser, who will tell him what the price is, without any comparison whatever as to what is going on in other areas or other regions. It is not right.

The only purpose of this section is to bring economic information, on an area and regional basis, to the attention of the timber farmers, so that they can see whether or not they are getting a fair price for their commodity. It is strictly an informational service.

When we look at the basic law of the Department, we find that when the Department was established the first thing the Secretary was directed to do was to supply and disseminate information. In this particular section the single purpose, with the exception of improving the research in respect to the marketing of timber products, which surely is a desirable effect, is to see to it that information relating to quality and price of timber products, and all forms of forest products, is made available to the producers.

While I do not wish to pit one area against another, the commissioner of conservation in our State, and the State Forestry Service, have advised me this week that they are in support of a price-reporting system.

We have 22 million acres of forest land in the State of Minnesota, 11 million acres under State and Federal jurisdiction, and 11 million acres privately owned. That seems to me to be a substantial amount of territory.

If I thought this section would accomplish anything more than the provision of economic information, I would say that it would merit prolonged consideration. But why deny to one group in our economy information which another group receives? We have a Securities and Exchange Commission demanding information with respect to stocks and bonds—information as to price, and all other factors relating to stock certificates. Such information is made available to the public. That is a Government operation.

We have a Bureau of Labor Statistics, furnishing information with regard to labor problems.

We have a Bureau of Agricultural Economics, and a Marketing Service for agriculture. However, strange as it may seem, we have no information on forest products, yet forest products represent one of the great assets in the agricultural economy.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COTTON. If the Secretary is to have the authority, and is to be instructed to obtain this information, how does the Senator understand he is to obtain the information?

Mr. HUMPHREY. The language in subsection (c) is as follows:

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

The Secretary may seek the cooperation of State agencies and private groups, large holders of timber, and conservation groups. He may use such sources of information as he chooses, with respect to any marketing condition.

Mr. COTTON. Which impression does the Senator wish to leave in the RECORD—that the Secretary will require the information, or seek it?

Mr. HUMPHREY. He is authorized to cooperate with State foresters. That is the language of the subsection.

Mr. COTTON. I assure the Senator that I am asking these questions for information, and not to be argumentative.

Does this section contemplate giving the Secretary authority to require from private industries periodic reports, statistics, and information about their business?

Mr. HUMPHREY. Mr. President, the language says:

"The Secretary is authorized to cooperate with the State foresters and other appropriate State officials or agencies as well as with private agencies, and under such conditions and terms as he may deem appropriate."

Mr. COTTON. May we understand—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Minnesota.

Mr. COTTON. May we understand, and may the RECORD so show, that it is not the intention of Congress in enacting section 602 to give the Secretary of Agriculture or anyone else authority arbitrarily to force private operators to make reports on their business.

Mr. HUMPHREY. I would not want to say that. I do not know whether the Secretary would find it necessary to do so.

Mr. ANDERSON. Mr. President, I believe I can answer that question. Perhaps I can be helpful to the Senator from New Hampshire on that point.

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. At the present time the Secretary of Agriculture has a right to gather current information on the markets and the prices of wheat. That does not give the Secretary authority to go to the Pillsbury Mills and say to them, "I want to know exactly how much money you are making every day of the year."

That is not the intention of the provision. It should be remembered that farm forests are becoming extremely important in this country. In great areas of the South efforts have been made recently by hundreds of people to retire some land and put it into slash pine. We are short of newsprint and other types of paper.

I believe it would be very helpful if we could get more information about that. The enactment of the provision would provide current information on markets and prices, and would aid in the more efficient marketing of farm products.

Mr. COTTON. If the section referred to becomes law, is the information, so far as private operations are concerned, to be furnished on a voluntary basis, or is it to be on a compulsory basis?

Mr. HUMPHREY. I am sure it is purely voluntary. It would be a request by the Secretary of Agriculture. He can make the request, but there is no language in the provision which says that he can order anyone to do it. It says he shall cooperate. He is authorized to cooperate, but he cannot demand it.

Mr. MARTIN of Pennsylvania. Mr. President, we are getting some very good information. I should like to comment on subsection (f) which provides:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. As I understand, the regulations would pertain to administrative proce-

dures only, and would not compel a mill owner or timberland owner to do this or that.

Mr. HUMPHREY. I should say so. The Senator's explanation is correct. This is ordinary language. It would spell out the responsibility—and that language is always used—in order to authorize the Secretary to issue such regulations as he deems to be appropriate in carrying out the provision of the section. That is the only way in which the Secretary could operate.

Mr. THYE. Mr. President—

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a little further comment on subsection (f). It has very much to do with the intentions of this section. I wish to read it again:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

Would not that language permit the Secretary to force every small timber owner in this country to make a report as to how much acreage he has, how much he has sold during the year, what price he received for it, and so forth? Could not the Secretary of Agriculture issue regulations of that character?

Mr. HUMPHREY. That is not my understanding, because the language in subsection (c) provides that the Secretary is authorized to cooperate, not directed to cooperate.

Mr. ANDERSON. Mr. President, will the Senator yield on that point?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. It is a well-established practice of the Department of Agriculture that unless there is a penalty accompanying regulations for reporting, the Secretary cannot enforce it on anyone. That has been decided about five times. The question has been settled that unless there is a penalty provision attached, the Secretary cannot compel anyone to do it. If a smaller farmer does not wish to answer the inquiry of the Secretary, all he need do is to write back and say, "It is none of your business."

Mr. MARTIN of Pennsylvania. Mr. President, in answer to that I should like to say that the farmers of Pennsylvania wish to comply with the law. If they get a request from any department of Government they answer it to the best of their ability. I do not want them to have the feeling that there is something being held over them.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Minnesota.

Mr. THYE. Mr. President, I have received quite a number of communications relative to section 602 of the act. I have made reply to them. There has been some apprehension on the part of those engaged in the production of pulpwood and in the harvesting of pulpwood. They have had some concern in connection with this section. I can assure them that their fears are groundless. There is nothing in this section of the act that will make anything mandatory.

I have a message from an association which thought this would be a reestablishment of what was in the old NRA Act. Nothing could be further from the truth. I merely wish to say that crop reporting cards and livestock reporting cards are sent out through regular channels of mail to producers, and they fill in those cards to show what their livestock is and what they anticipate will be the number of cattle and the number of hogs, and so forth.

That is information which is of value to everyone in the production of agricultural products and in the processing and purchasing of agricultural commodities.

Therefore I would say that the timber price reporting we have provided for in the bill under section 602 will be a service to anyone engaged in forestry or pulpwood ac-

tivities. It will be of benefit to the little farmer, who may have a few cords of pulpwood or a few posts or a few telephone poles. He will know about national market trends and about values.

For that reason I wish to say to those who have written to me, if they will read the RECORD, that they need have no fears. I believe it will be a valuable service to them. It will not be mandatory. It will not be a regulation which will compel them to fill out extensive questionnaires periodically.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. ANDERSON. I merely wish to point out to the Senators from Pennsylvania and New Hampshire, who have a perfectly sound reason to question this matter, that the soil-bank provisions, on which we will vote soon in connection with this bill, in section 224 of the bill, provides:

"The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act."

I express the hope that we will not strike that provision from the bill. The Secretary of Agriculture must have the power to prescribe such regulations. Other agricultural laws contain similar provisions. If we go back to the original Soil Conservation and Domestic Allotment Act of 1938, we find that it authorizes the Secretary of Agriculture to conduct surveys and investigations and research relating to the character of soil erosion and the preventive measures needed. The same provision is carried in other acts. I do not believe the Secretary of Agriculture will say to every farmer in the land, "You give me a detailed description as to exactly how much soil erosion exists on your land, or I will send you to jail."

The Department of Agriculture does not work that way. The Secretary of Agriculture does not work that way. The Department of Agriculture tries to be friendly to the farmers of this country, and tries to help them. The Department was established for the purpose of disseminating information, first to the agricultural colleges, then to the extension agencies, and then on to the actual people who serve the farmers.

I am glad we have had this discussion this evening, because I would not want the Secretary of Agriculture to take any advantage out of this provision and try to destroy what has been going on for years. I do believe that the committee, which considered this subject very carefully and which struck from it the language that we regarded as objectionable, has put the provision into such shape that we can safely adopt it, without doing any damage to anyone.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, basically I share the solicitude of the Senator from Pennsylvania with regard to matters of this kind, but he will note that these functions cannot be exercised until a specific appropriation is made. If the Senator's people wish to come before the subcommittee on agricultural appropriations, while I cannot speak for the chairman, I think I can say that they will receive a very good hearing, and if there are any abuses, the appropriation can be denied.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. ANDERSON. The Senator from Illinois was a member of the Appropriations Committee of the House when I was in the Department of Agriculture, and he recognized the power of the purse, and if there was a function which was going badly, he saw that it was trimmed down. That is what would happen under this provision.

The PRESIDING OFFICER. The Senator from Pennsylvania has 9 minutes remaining.

Mr. COTTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. COTTON. I wish to say to the distinguished Senator from New Mexico that after he completed his assurance, all that I was interested in was having the record clearly show that it was not the purpose of the Congress to impose a compulsory reporting system upon the farmers.

I was a little bit disturbed by the remarks of the Senator from Illinois, because I do not like to have the record indicate that the people have recourse to the Appropriations Committees to stop appropriations before they are safe on this point. If the record clearly shows that nothing in the section is intended to make a compulsory reporting system incumbent upon the operators, I am perfectly satisfied, and I thank the Senator from New Mexico.

Mr. ANDERSON. The purpose of a section of this character is to establish the legislative history, and I think that has been adequately done.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. MARTIN of Pennsylvania. Yes, Mr. President.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate-House conference committee, after careful consideration, dropped the provision from the earlier farm bill.

It adds nothing to the solution of the farm, crop-surplus problems which are the indicated objectives of the Soil Bank Act.

Prices of forest products, and particularly of forest stumpage, have local application only. Little interstate commerce is involved in the sale of primary forest products, and no interstate commerce is involved in stumpage sales—this in itself points to price reporting being a State or private responsibility.

Any producer of primary forest products may obtain price information by contacting the purchasing companies or consulting foresters. Such prices are current in application and much more significant than those obtained through reported averages of past transactions.

Private-industry associations are already reporting and publishing price information.

Mr. President, it seems to me this is an unnecessary provision, and I sincerely hope the Senate will strike it from the bill.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. MARTIN of Pennsylvania. How much time does the Senator desire?

Mrs. SMITH of Maine. A half minute.

Mr. MARTIN of Pennsylvania. I yield a half minute to the Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I wish to associate myself with the able senior Senator from Pennsylvania and express my support of the remarks he has made. Section 402 would place an

undue burden on the forestry industry in my State, and I feel that the disadvantages would far outweigh any benefits which might be derived.

Mr. ELLENDER. Mr. President, the amendment to strike out section 402, which provides only for forest products, price reporting, and research by the Department, was incorporated in the bill at the behest of the Senator from Minnesota [Mr. HUMPHREY]. The section does not impose any reporting requirements or obligations on the private trade.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MARTIN of Pennsylvania. Were any hearings held on this section of the bill?

Mr. ELLENDER. Not on the forest section.

Mr. MARTIN of Pennsylvania. As I understand, on this particular section of the bill there were no hearings by either the Senate committee or the House committee.

Mr. ELLENDER. That is correct; there were no hearings on section 402.

Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Mr. President, a few moments ago we tried to modify some language in section 203. Apparently the language which I offered was not proper. The Department of Agriculture has objected to it, and I think their objection is sound.

I ask unanimous consent to have the language revised in accordance with the language I am submitting.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, line 19, after the figure "1955," it is proposed to insert:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified therein, but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton.

Mr. ANDERSON. That has been submitted to the attorneys for the Department of Agriculture. They withdraw their objection to the other language, and are happy to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. ANDERSON].

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, the provision to which the amendment of the Senator from Pennsylvania [Mr. MARTIN] is directed is section 402. Of course, the purpose of the amendment is to eliminate the provision, and thereby to deny the timber farmers, who are thousands in number, the opportunity to receive from the Government the same kind of price information which practically every other farmer in the United States receives.

Arguments have been made against this provision of the bill on the ground that it was not needed. I submit it is needed, because the price reporting services which are presently available to timber farmers are generally from the buyers of timber, and, in some limited areas, from some State jurisdictions.

Furthermore, Mr. President, there is a growing need for accurate information as to prices of timber relating to the species and the type of timber which has been or will be produced.

The bill provides a tremendous program of reforestation. It provides for tree planting, under its conservation reserve section. The growth of timber in this country has become a major farm production item.

Mr. President, I am not unaware of where the real opposition to this provision comes from. It comes from the timber interests, from the Lumbermen's Manufacturing Association, from the large users of timber. They have been able to buy timber from farmers, most of whom are small farmers, at the user's own prices, at their own will, without any competent, accurate price reporting available to the producers of the timber.

The timber barons of this country have had quite a heyday. I do not intend to make any prolonged speech on this subject at this time, but if it becomes necessary, I shall do so. The timber interests stripped our forests until the Government brought them into line. One of the great disgraces of this country was the manner in which our forests were depleted, and it was not until Government, Federal and State, took a hand, that this tendency and trend of the destruction and depletion of our forests was reversed.

Fortunately, we have a good reforestation program operating between Government and private industry. That is as it should be. But here is the last opportunity for the large manufacturer associations in the lumber business and the large buyers of timber to have their way—namely, to have no accurate price reporting.

I should like to know, Mr. President, what wheat farmers would do if their Government did not give them accurate price reporting. I should like to know what cotton farmers would do if their Government did not give them accurate price reporting on the basis of grade and quality. I should like to know what any other segment of American history would think if there were no statistical information available, of an economic nature, relating to prices. They would be here demanding some help.

The provision under discussion was placed in the bill because the small timber farmer is not well organized, and he needs someone to stand up for him. There are hundreds of small timber farmers in the State of Minnesota. There are thousands of them throughout the United States. All in the world this provision requires is simply that the Secretary of Agriculture shall provide current information on marketing and price to aid these timber farmers, so they may more accurately market their forest products.

There has been lobbying. I should like to say to the Senator from Arkansas, who has written to us as to whether or not lobbyists have been working on us, "Yes, I have been lobbied on this amendment by the Lumbermen's Manufacturing Association, and I do not like it." I can say I have not been lobbied by the small producers. We are going to have to stand up and be counted as to whether we are going to deny the right of the timber producer to get accurate information, or knuckle down to the lobbying of the Lumbermen's Manufacturing Association.

Our own Government sells \$100 million worth of lumber a year, and it has to sell it at the mercy of the purchaser's market. The Government does not even provide accurate marketing statistics for its own timber, much less for that of the small producer and independent farmer.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask for 1 more minute.

Mr. ELLENDER. I yield the Senator from Minnesota 1 more minute.

Mr. HUMPHREY. I have been asked by the able Senator from Mississippi whether the provision is in the bill or whether I wish to add it. The provision is in the bill. The amendment offered is to strike it out. It was in the bill originally passed by the Senate. An amendment was offered to strike it, but it was defeated. The provision was lost, to be sure, in conference.

But, Mr. President, I have been assured that if the same conferees participate in the conference on this bill, this provision will not be lost, because in the conference on the previous bill there was a misunderstanding as to the purpose of the particular amendment which now is represented by the section of the bill to which the amendment of the Senator from Pennsylvania is directed.

Let me say that the purpose is clear and explicit, namely, accurate marketing information. I do not believe anyone would wish to deny accurate marketing information to those affected by this amendment.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Oregon is recognized for 3 minutes.

Mr. NEUBERGER. I thank the Senator from Louisiana.

Mr. President, as one who, in part, represents the State which produces more lumber than does any other State in the Nation, I think I can say that the pending amendment to eliminate the price-reporting provision of the bill in the case of timber products is aimed at the small owners of timber in the United States.

I have before me the Timber Resource Review compiled by the United States Forest Service. The review constitutes one of the most extensive surveys ever made in the history of our forest resources. It points out that in the United States there are approximately 3,400,000 forest ownerships on farms.

I read from the Review:

Farm and other private ownerships constitute a large and heterogeneous group, comprised of cropfarmers and livestock ranchers, business and professional people, housewives, wage earners, mining and landholding companies, and a wide variety of other miscellaneous owners.

These are the people who will be the principal victims if this amendment is adopted; they will be forced to sell their products in the dark; they will not know what the prevailing price is, until it is too late for them to realize a fair price. Small lumber dealers and small timber operators, without their own reporting facilities, likewise will suffer if the amendment is adopted to eliminate a government price-reporting service in the realm of forest products.

Those outside the Senate who want this amendment agreed to are the large timber operators who have gone around buying up the farm woodlots for token payments, for only a fraction of what they are really worth. What other reason is there for this amendment?

It seems to me that if we are to safeguard the 3,400,000 farm owners of timber in the United States, we need to retain in the bill the provision that our Committee on Agriculture and Forestry has so wisely included in it.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. CASE of South Dakota. I am inclined to think that we should keep this provision in the bill. A firm from Oregon came to the Black Hills of South Dakota the other day and out-bid a local timber firm, and bought 30 million board feet of timber in the Black Hills. So I think it would be a good idea to retain this provision in the bill, so that our timber owners may have an idea of what their timber is worth, before they sell it.

Mr. NEUBERGER. Mr. President, regardless of whether the timber purchaser referred to by the Senator from South Dakota came from the Black Hills or from my State of Oregon or from New Hampshire—

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. NEUBERGER. Mr. President, will the chairman of the committee yield 2 minutes more to me?

Mr. ELLENDER. I yield an additional 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. NEUBERGER. I thank the chairman of the committee.

Mr. President, let me say that regardless of where the timber purchasers may come from, if they benefit financially by not paying a fair price, that is against the public interest.

Regardless of where timber owners are located in America, we should let them have adequate knowledge of what their timber is worth, just as those who own cotton or any other product should know what their commodity is worth.

The Forest Service is established in the Department of Agriculture, because over

the years Congress has regarded trees as a crop. Mr. President, if the Forest Service is to remain in the Department of Agriculture, as I think it should, the farmers who own woodlots are entitled to the same protection that is received by farmers who own fields of wheat or fields of cotton. Why favor price reporting for grain farmers or dairy farmers, and then oppose it for tree farmers?

Mr. CASE of South Dakota. Mr. President, I think the persons to whom I referred bid for the timber in open competition. But apparently the Oregon firm could pay more than those in South Dakota could pay. However, they were rather surprised, since that was a rather sizable sale, to have the Oregon firm outbid the local people.

Mr. NEUBERGER. So far as competitive bidding is concerned, we have no control over that. The best price offered must prevail.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the junior Senator from Vermont [Mr. FLANDERS].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. FLANDERS. Mr. President, I wish to speak briefly in support of this provision of the bill. I speak in support of it from the standpoint of the area I know best, namely, the New England States, particularly my own State of Vermont.

On every farm there is a woodlot. In some cases, the woodlot is a major part of the farm. The aggregate of these farm woodlots amounts to an enormous acreage; and the value, particularly in the case of the hardwoods, amounts to millions of dollars, even though each woodlot is a small one.

In marketing the timber, each owner of a small woodlot is dealing, not with his regular business of farming—presumably, dairy farming—but, for the moment, with a matter in which he has not had a great deal of experience. Certainly the value which can be realized by the farmers of my region, if they are given authentic information regarding the price of the wood they have to sell, will be very great.

So I trust that the Senate will vote to retain this particular reporting provision in the bill.

Mr. MAGNUSON. Mr. President—

Mr. ELLENDER. I yield 1 minute to the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. MAGNUSON. Mr. President, I do not wish to belabor the point; but I desire to associate myself with the remarks of the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Vermont [Mr. FLANDERS], in opposing the amendment of the Senator from Pennsylvania [Mr. MARTIN].

In my State there are many, many small tree farmers. I know personally of instances in which they have not gotten for their timber the price they should have gotten.

I think this provision can go a long way in giving them information regarding what their timber is really worth, so they may get a fair and square deal for the great amount of hard work they have put in on small tree farms.

The PRESIDING OFFICER. Does the Senator from Pennsylvania desire to yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. Mr. President, I yield 1 minute to the Senator from New Hampshire [Mr. COTTON].

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I think I shall need only half a minute.

I wish to ask whether the wording of this provision is exactly the same as the wording of the similar provision in the agricultural bill the Senate passed a few weeks ago; and I refer particularly to the discussion which occurred on the 15th of March.

Mr. ELLENDER. In other words, the corresponding provision of House bill 12?

Mr. COTTON. Yes.

Mr. ELLENDER. Yes.

Mr. COTTON. In connection with that bill, the legislative record which was made was that the compiling of this information could be done only in cooperation with the State authority, and that the provision did not empower the Federal Government to require reports of statistics from individuals.

Mr. ELLENDER. As I understand the provision, it is not compulsory at all to make the reports. These reports would be in the same category as those on cotton, corn, and other commodities upon which the Secretary of Agriculture is authorized to make reports.

Mr. COTTON. Mr. President, let me say that I feel deeply about this matter. But in view of that assurance, I desire to associate myself, as I did before, with the Senator from Pennsylvania and the Senator from Maine in their position on this amendment.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has either been used or yielded back.

The question is on agreeing to the amendment of the Senator from Pennsylvania. [Putting the question.]

Mr. MARTIN of Pennsylvania. Mr. President, on this question, I ask for a division.

On a division, the amendment was rejected.

Mr. MONRONEY. Mr. President, on behalf of myself and my colleagues [Mr. KERR], I call up my amendment which is at the desk; and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, after line 7, it is proposed to insert a new paragraph, as follows:

In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 a conservation reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands conservation reserve program.

On page 14, in line 9, after word "clover", insert "grazing lands."

On page 21, in line 17, strike out "\$450,000,000" and insert "\$525,000,000, which shall include \$75,000,000 for carrying out the conservation program for grazing lands."

Mr. MONRONEY. Mr. President, I yield myself 5 minutes.

This amendment is similar to the provision which was voted into the bill in the House, except that it is carried forward in the conservation reserve program instead of the acreage reserve program. Also it provides \$75 million instead of \$50 million for allowing livestock raisers, those who raise cattle throughout the Nation, to participate in the soil-bank program.

The raising of livestock is the only important or major part of our agriculture which is completely ignored and kept entirely out of participation in the soil bank; yet I feel that the facts, particularly across the Great Plains area, will show that if the real purpose of the bill is to increase and improve the fertility of the land, our overgrazed and wornout grasslands, which are being used today for the overproduction of livestock, are most in need of a conservation program.

The purpose of the bill, as stated by its sponsors and by the administration, is to reduce overproduction, which is depressing the price of agricultural commodities. A second purpose is to improve the fertility of the soil. We definitely have a condition of overproduction in the livestock industry. Whereas there were 76.8 million cattle on the ranges on January 1, 1947, on January 1, 1956, there were 97½ million. We have seen these increased numbers give us the greatset losses, percentage-wise, of any segment of the agricultural industry.

No part of agriculture is suffering as much from the present depressed prices as is the livestock industry. The prices average only 70.25 percent of parity. When we consider that beef is selling at 71 percent of parity, calves at 71 percent, sheep at 63 percent, and lambs at 77 percent, we get an average of 70.25 percent of parity.

All other farm products combined have an overall average of 84.6 percent of parity. The drop from 1951 to 1953 in the price range of livestock when it was brought to market was more than 50 percent, and the shrinkage in the capital asset value of cattle on the range today represents a drop in 1 year of nearly \$100 million, notwithstanding the increase of 409,000 head of cattle. If we are going to recognize the problems of overproduction in respect to cotton, corn, wheat, small grains, and everything else,

the livestock industry, which furnishes nearly 50 percent of the farm income of the Nation, should have an opportunity to participate and to rest its grazing lands and build up their fertility.

I invite attention to the fact that no one can enter this program unless he agrees to meet the requirement of a production reduction in the number of cattle on the range, in a percentage comparable to the amount of acreage being withdrawn.

I know there will be some wisecracks made to the effect that cattle cannot read. We shall be asked, "What are you going to do? You cannot fence in the range." That same question might be asked with respect to every acre placed in the acreage reserve program or in the conservation reserve program, because cows cannot read those signs, either. Gates can be left open, and milk cows can graze on all the other acres provided for in a \$1,200,000,000 program. This industry would be far easier to police, because of the location of the grazing lands, than all the other acreage involved in the remainder of the program relating to row crops.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield myself 1 more minute.

Inasmuch as the purpose of the bill with respect to row crops is to build up pasturelands and put new cattle raisers in competition with existing cattle raisers, the cattlemen ought to be entitled to rest some of their grazing land and conserve the grasslands, while the new subsidized competition being put into the cattle business at Government expense takes place.

I should like to see this amendment, which is similar to the provision adopted by the House, enacted into law.

I yield 3 minutes to my senior colleague [Mr. KERR].

Mr. KERR. Mr. President, the purpose of the distinguished junior Senator from Oklahoma and myself in supporting this amendment is, first, to get more productive land in the soil bank, in order that the benefits of the soil bank may be general in character, and therefore available to the producers of cattle.

In the next place, the purpose of the amendment is to help bring about an orderly reduction in the number of cattle on the range in such a manner as not to have a depressive effect on the market or to add to the financial burden of the cattle producers.

I hope the distinguished chairman of the committee will agree to accept the amendment, failing which I shall ask for its adoption by the Senate.

Mr. ALLOTT. Mr. President, I should like to ask the Senator in charge of the time for the opposition to yield to me 2 minutes.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I must rise in opposition to this amendment. It is bad. The same questions involved in connection with this amendment were discussed at length on the floor during the debate on the first farm bill.

I should like to read into the RECORD a telegram which I have received from the Colorado Cattlemen's Association, dated May 9, 1956. The telegram refers to the Albert amendment. I believe that the position of the Colorado Cattlemen's Association is also the position of the American National Cattlemen's Association on this subject, the only difference being as to whether it applies to the conservation reserve or the acreage reserve. The telegram reads as follows:

DENVER, COLO., May 9, 1956.

Senator GORDON ALLOTT,
United States Senate,

Washington, D. C.:

It's Colorado Cattlemen's Association understanding that there is being considered for the soil bank price supports on small grains other than wheat and corn. Our association opposes such an amendment, feeling that it will only multiply the already serious problems of our feeders. If controls accompany supports it will ultimately lead to more land to grass and more cattle numbers in areas not now producing cattle, thus intensifying our cow numbers. Our board members, along with the 25 local association presidents, at meeting today in Denver, were very relieved to hear that the Jennings amendment and the Albert amendment to the soil bank were killed. We are particularly opposed to portion of the Albert amendment that would call for a reduction of cattle numbers, feeling that such a move would force marketing and slug market bringing new low in prices.

DAVID G. RICE, Jr.,

Executive Secretary, Colorado Cattlemen's Association.

In the opinion of the American Cattlemen's Association, the Colorado Cattlemen's Association, and many others, the effect of this amendment would be to throw upon the market more cattle at a time when they are building the consumption of beef, and, as the telegram says, to slug the market and depress the price of cattle, to the detriment of our stock raisers.

Mr. KERR. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the junior Senator from Oklahoma yield 1 minute to me in order that I may answer the question of the senior Senator from Oklahoma?

Mr. MONRONEY. I yield 1 additional minute to the Senator from Colorado.

Mr. KERR. Mr. President, can the Senator inform us as to what percentage of the land grazed by the Colorado Cattlemen's Association is public domain, and therefore not the land of those using it, and consequently not eligible for soil-bank payments, if this amendment were adopted?

Mr. ALLOTT. No; I cannot give the Senator that information offhand, but I shall be happy to procure it for him.

Mr. KERR. Would the Senator say that it is about three-fourths of the land?

Mr. ALLOTT. It is my opinion that it is a smaller amount of land.

Mr. KERR. What percentage of land in Colorado is public domain?

Mr. ALLOTT. Thirty-seven percent.

Mr. KERR. Thirty-seven percent. I thank the Senator.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes. I do not expect to go into detail with respect to the pending amendment, except to say that, as will be recalled, the same kind of amendment was debated at length on the Senate floor when we considered the Senate version of H. R. 12. I wish to say that when the Senate Agriculture Committee considered the pending bill, we considered whether or not we should retain a provision in the House bill similar to that now being proposed by the distinguished Senator from Oklahoma [Mr. MONRONEY]. It was the unanimous decision of the committee to omit that part of the House bill.

I hope the Senate will defeat the amendment as it did in the case of a similar amendment when the Senate version of H. R. 12 was considered.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. MONRONEY. I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendments "5-17-56-F," and ask that they be stated.

The PRESIDING OFFICER. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 13, after the period in line 3, it is proposed to insert the following:

The compensation paid any producer for participating in the acreage reserve program with respect to land in any one State in any year shall not exceed \$25,000.

On page 17, after the period in line 7, it is proposed to insert the following:

No annual payment to any person with respect to land in any one State shall exceed \$7,500.

On page 70, after line 8, it is proposed to insert the following:

SEC. 603. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$50,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitation."

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. WILLIAMS. Mr. President, one phase of the amendments was adopted by the Senate when they were offered during the debate on the previous bill, by a vote of 84 to 9. The amendments as modified and as now before the Senate were approved by the Senate by a vote of 78 to 11.

The purpose of the amendments is to put a limitation on the amount of payments which can be made under the acreage-reserve program to any one individual or corporation, so that no payment could exceed \$25,000. Under the conservation-reserve program the limitation would be \$7,500. It provides a limitation under the price-support provisions of the Agricultural Act of \$50,000 for any individual or corporation.

The amendments would prevent benefits of this \$2 billion bill ending up as a bonanza for the corporate type of farming or other large individual farming.

I pointed out in a previous discussion that if the amendment were not adopted it would be possible under the provisions of the bill for one large wheat grower in the Montana area, who has about 340,000 acres of wheat, to put half of that under the acreage-reserve program and collect a check from the Government for \$3,400,000 for doing nothing.

Certainly it is not the intention of the Senate, and by a vote of 78 to 11 it repudiated that proposal. Unfortunately, the amendment did not hold up in the conference committee. However, I am hopeful that the conferees will feel more kindly toward it this time. I am asking whether the chairman of the committee will not agree to accept the amendment and avoid delaying the Senate further in the discussion of the bill.

Mr. ELLENDER. Mr. President, I object to the amendment.

Mr. WILLIAMS. Mr. President, inasmuch as the amendment was adopted previously by a vote of 78 to 11, I cannot help thinking that it will be agreed to by the Senate again. Therefore, I shall submit it to a voice vote. If it is not agreed to, I shall suggest the absence of a quorum, and ask for a yea-and-nay vote.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. ELLENDER. I wish to state to my good friend from Delaware that, as he will remember, there was a voice vote on his amendment in committee, and I think he was the only one who voted for it. It is true that the Senate went into this matter at considerable length.

As chairman of the committee, when the matter first came up, I opposed it. I am satisfied that if the provisions suggested are incorporated in the bill, we shall have to have a conference with the House. It is my opinion that the House will not approve a bill with these provisions in it. Therefore it would be an idle gesture for us to vote for the amendments. I hope the Senate will reject these amendments.

The PRESIDING OFFICER. Are the Senators prepared to yield back their time?

Mr. ELLENDER. If the Senator from Delaware yields back the remainder of

his time, I shall be glad to yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

Mr. ELLENDER. I do also.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. ELLENDER. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. WILLIAMS. I object.

Several Senators requested a division.

The PRESIDING OFFICER. As many as favor the amendment will rise and stand until counted.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE] the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada

[Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

YEAS—44

Allott	Frear	Mundt
Barrett	Goldwater	Neuberger
Beall	Hayden	Payne
Bender	Hickenlooper	Potter
Bennett	Hill	Purtell
Bridges	Hruska	Robertson
Butler	Humphrey	Russell
Case, N. J.	Jenner	Saltonstall
Case, S. Dak.	Kuchel	Schoeppel
Cotton	Langer	Smith, Maine
Curtis	Mansfield	Sparkman
Dirksen	Martin, Iowa	Watkins
Duff	Martin, Pa.	Williams
Dworshak	McCarthy	Young
Flanders	McNamara	

NAYS—29

Aiken	Hennings	Long
Anderson	Holland	Magnuson
Bible	Jackson	McClellan
Capehart	Johnson, Tex.	Millikin
Clements	Johnston, S. C.	Monroney
Daniel	Kefauver	Stennis
Eastland	Kerr	Symington
Ellender	Knowland	Thye
Ervin	Laird	Wofford
George	Lehman	

NOT VOTING—22

Bricker	Green	Pastore
Bush	Ives	Scott
Byrd	Kennedy	Smathers
Carlson	Malone	Smith, N. J.
Chavez	Morse	Welker
Douglas	Murray	Wiley
Fulbright	Neely	
Gore	O'Mahoney	

So the amendment of Mr. WILLIAMS was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. AIKEN. Mr. President, I wish to make a statement in regard to the last amendment which was agreed to.

The PRESIDING OFFICER. Does the Senator from California yield time to the Senator from Vermont?

Mr. KNOWLAND. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. No one in the Senate is more in favor of a limitation on the payments to one individual farmer than am I. Under ordinary circumstances, I would have voted for the Williams amendment. However, the adoption of

that amendment assures the bill going to conference, from which it may never return. If it does return, it is likely to come back in such shape that it will be killed in one House or the other.

We have not been any further from having a farm bill passed by Congress at any time since the veto of the first bill than we are right now. I think there are other Senators, probably, who voted against the amendment for the same reason I did.

We have tried, month after month, to get a farm bill which would really be of benefit to the farm population of the country. We have worked all day in, I think, a statesmanlike manner; but at the last minute we have seen the Senate take action which means that the soil bank and farm legislation seem very far away at this time.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I agree completely with what the Senator from Vermont has said. I have taken the same view he has taken on some of these questions. I commend him, and I particularly wish to commend the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee, with whom I disagree on many agricultural policies, but who has stood here today and tried to make certain that the bill as passed by the Senate would be a bill which would not need to go to conference.

The able Senator from Louisiana and the able Senator from Vermont have tried their best to make certain that we would not delay the possibility of obtaining a passable bill which would give the farmer a chance to participate in increased benefits and in a soil bank this year. But because someone believed it to be desirable to vote for a limitation on the payments, in order to prevent a situation which the smart people know how to avoid, we kill the chance of getting a bill which does not have to go to conference.

This is a bad vote—a very bad vote, indeed. I commend the Senator from Vermont for calling it to the attention of the Senate.

Mr. AIKEN. The amendment offered by the Senator from Delaware ordinarily would have been desirable; but used as a means of killing the bill, it is very harmful.

Mr. SALTONSTALL. Mr. President, I move that the Senate reconsider the vote by which the last amendment was agreed to.

Mr. WILLIAMS. Mr. President, I make the point of order that the bill has been read the third time, and that the motion of the Senator from Massachusetts is not in order.

The PRESIDING OFFICER. Is the Senator from Massachusetts moving that the Senate reconsider the action by which the amendments were ordered to be engrossed and the bill to be read the third time?

Mr. SALTONSTALL. I move that the Senate reconsider the votes by which the amendments were ordered to be engrossed and the bill to be read the third time.

The PRESIDING OFFICER. The Senator's motion is in order and he has 30 minutes on the motion.

Mr. SALTONSTALL. Mr. President, I made the motion after listening to the Senator from Vermont. I do not come from a State where farming is as important an industry as it is in some other sections of the country. I believe we should pass a farm bill. I do not think we should take any chance on having the bill killed by either House if there is an opportunity to have a bill passed without the necessity of having a conference. I therefore have made the motion I have made in order that the Senate may reconsider its action in the light of what was said by the Senator from Vermont [Mr. AIKEN] and the Senator from New Mexico [Mr. ANDERSON].

Mr. CAPEHART. Mr. President, will the Senator from California yield 5 minutes to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, there can only be one purpose of the soil bank, and that is to reduce production. That can be the only reason for it and its only purpose. There is only one way by which to reduce production, and that is to take out of production X number of acres. We in the Senate cannot shoot someone because he happens to have a large number of acres or a small number of acres.

If we expect to help the small farmer, we can help him only by getting rid of the surpluses and reducing production, so that the market price will rise and the farmer will get the benefit of higher prices in the market place.

If we limit the number of acres which the so-called large farmer can take out of production, then he will not take them out of production, and we will be defeating the very purpose we are trying to achieve. I do not know why we want to do that.

If we want to consider eliminating the soil bank entirely, that is one thing. If it is thought that the soil bank is no good, and it is desired to eliminate it, that is fine. But if we want to vote for a soil bank to try to help every farmer, and particularly the small farmer, to get higher prices, then it is necessary to obtain a reduction of production by the large farmer.

I do not quite understand the reasoning, unless it is simply desired to kill the whole bill. If that is the purpose, I am perfectly willing to vote to kill the soil bank, and the conservation acreage provisions, but I do not want to do it indirectly.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. Did not the President recommend a cutoff on price supports?

Mr. CAPEHART. I do not know whether or not he did.

Mr. HUMPHREY. In the same message in which he advocated the soil bank?

Mr. CAPEHART. He may well have done so; but if he did, he was as wrong as he could be.

Mr. THYE. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Minnesota.

Mr. WILLIAMS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. THYE. Mr. President, I simply wish to associate myself with the remarks of the able Senator from Indiana. If ever a question was stated well, he stated it. What are we endeavoring to do? We are endeavoring to reduce the number of acres which will be harvested annually. That is the only way in the world by which we shall be able to reduce the surpluses of farm commodities and farm products. The distinguished Senator from Indiana stated the case well.

Mr. President, I have voted for and against amendments today in an attempt to obtain a bill which can be passed at this session of Congress. If this amendment prevails and the bill must go to conference, we may as well write "curtains" on trying to get a farm bill passed at this session of Congress.

For that reason I oppose the amendment. I hope the motion offered by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail, and that we may have an opportunity to reconsider the vote, and pass a bill which can get through conference, if it has to go to conference.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS. Mr. President, this is a sad day in the affairs of the United States Senate if we have reached the point where we cannot vote on amending a major agricultural bill providing for \$2 billion, without taking into consideration the fact that the amendment must be agreed to in some form acceptable to the House of Representatives. Why not delegate our authority, and send the bill back to the House, and tell them to write it? Certainly, every Senator who answers to the rollcall will vote as he thinks about the amendment. The President, in his message in January, asked for the same provision, which we in the Senate approved by an overwhelming vote. The same provision was approved by a previous yea-and-nay vote of 84 to 11.

There is only one reason why we would reconsider the amendment. It would be because the big landowners would blackmail the United States with a threat that "if you do not pay us billion-dollar checks, or big checks, we will see that you cannot get any farm bill."

There is certainly no argument which can be used that the bill will be vetoed, because of this provision, inasmuch as the President of the United States has asked for it.

If Senators believe in the principle, if they want to support it, let them vote for or against it on its merits. Three months are left. There is not a feature of the agricultural bill which can go into effect in this crop year. We have plenty of time. There is no urgency

about it. Certainly, there is plenty of time to consider the bill in conference. If the conferees do not want to accept the amendment, they can reject it, if they are afraid to accept it, or vote on it.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JENNER. I cannot understand why this distinguished body, which overwhelmingly adopted the same amendment in the original consideration of the farm bill, by a vote of 79 to 11, though the bill was vetoed, should now take the attitude some distinguished Senators are taking.

In the first place, the President of the United States says there must be some limitation on payments in this bill. Secondly, why should the United States Senate sit here tonight and authorize the payment to landowners who own many thousand acres of \$87,500 of the taxpayers' money for complying with this program? We are not here to sustain the man who owns 350,000 acres. We are not here to sustain the city farmer. We are not here to sustain corporation farmers. We are here to sustain family-sized farmers, and not to protect the big landowners. We are here to protect the taxpayers' money which is paid into the Treasury of the United States.

What is the urgency? Why are we afraid of a conference? The provision could not possibly go into effect this year. A similar provision was in conference last year, but was taken out of the bill. Let the House conferees refuse to agree to it again, if they want to do so; but I submit that the provision is for the protection of the family-size farmers, not for the corporate and city farmers, or for the man who owns ten, twenty, thirty, or forty thousand acres of land. He does not need the protection of the taxpayers of the country.

Mr. WILLIAMS. Mr. President, I move that the motion of the Senator from Massachusetts be laid on the table, unless he wishes to debate it further.

Mr. SALTONSTALL. Mr. President—

Mr. WILLIAMS. Mr. President, I withhold my motion temporarily.

The PRESIDING OFFICER. The Chair is advised that such a motion would not be in order until the time has been yielded back.

Mr. SALTONSTALL. Mr. President, how much time remains on the side of those in favor of the motion?

The PRESIDING OFFICER. The Senator from Massachusetts has 28 minutes remaining to him.

Mr. SALTONSTALL. Mr. President, I yield 5 minutes to the senior Senator from Oklahoma.

Mr. KERR. Mr. President, it is not often that the senior Senator from Oklahoma has agreed with the Senator from Vermont on a farm bill. I have often found myself in disagreement with the Senator from New Mexico with respect to a farm bill. But what those Senators have said with reference to the amendment is entirely correct. This amendment will not be to the detriment of the big farmer; it will be to the detriment of the family-sized farmer.

The purpose of the soil bank is to take acres out of cultivation. The family-sized farmer is not going to take them out of cultivation. The soil bank is a voluntary program. A man who has a few acres and a large family is going to cultivate every acre that is allotted to him. He is not going to take a small percentage of what he and his family can produce from an acre of cotton or corn or wheat or peanuts or rice or tobacco, and take land out of cultivation when he and his family can cultivate it and get the full benefit of what it will produce.

Yet that small farmer's welfare rides on the reduction of acres. Then where can we get a reduction of acres? Since the program is voluntary, and since the small farmer cannot afford to reduce further the limited allotment available to him under the bill, and to take a small percentage of what he would get by cultivating his acres, the only chance we have is to get them from the man who has many acres. When that is done, he is given a small percentage of what his land would produce if it were in cultivation, but a reinforcement is built under the market for what is produced by the small farmer.

Therefore, as I said a while ago, often as I have disagreed with the distinguished Senator from New Mexico and the distinguished Senator from Vermont, they are entirely right in what they have told us about the amendment. It does not benefit the small farmer; it hurts him. It does not promote the soil bank; it eliminates any possibility of the soil-bank program succeeding.

Mr. AIKEN. Mr. President, will the Senator from California yield me 2 minutes on the bill?

Mr. KNOWLAND. I yield 2 minutes on the bill to the Senator from Vermont.

Mr. AIKEN. Several speakers have stated that the President recommended limitations such as were included in the last amendment to the bill just adopted. The President did not at any time make any recommendations as to limitations of payments on the conservation reserve or the acreage reserve. What the President said on January 9, 1956, was this—and I read from his message:

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

The President asked the Congress to consider placing a limit on price-support loans, not on the conservation reserve or the acreage reserve.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. What the Senator has said is correct, but when the Secretary of Agriculture, who is the spokesman for the President, sent the original soil bank proposal to the President, there was a limitation of \$7,500 under the acreage reserve, exactly as the amendment proposes, and it was favored by the Senator from Vermont.

Mr. AIKEN. That is correct. I would be for the amendment now, but I can-

not vote for it as a means of killing farm legislation at this session.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JENNER. This amendment provides for a maximum of \$50,000 under price supports as a fair limitation. Does the Senator know any family-sized farm which can draw \$50,000 price supports under any bill before the Congress?

Mr. AIKEN. I think there are many of them.

Mr. JENNER. Are they family-sized farmers?

Mr. AIKEN. Yes. There are farmers in my community who produce more than \$50,000 a year.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator from Vermont has expired.

Mr. JENNER. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1 minute.

Mr. JENNER. Mr. President, in other words, this amendment allows any one farmer in the United States \$50,000 under the price-support features of the bill, \$25,000 under the acreage-control provisions, and \$7,500 under the soil-conservation provisions of the bill. I wish to ask whether any Senator thinks there is in the country a family-sized farm which could draw \$87,500 from the taxpayers in connection with this program.

This amendment is for the purpose of preventing the making of these payments to persons who do not need Government support, and is to protect and to help the family-sized farms.

Mr. ELLENDER. Mr. President—

Mr. CAPEHART. Mr. President, will the Senator from Massachusetts yield 3 minutes to me?

Mr. SALTONSTALL. I yield 3 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. Mr. President, I hope the motion made by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail. I fear that my good friends, the Senator from Delaware and the Senator from Indiana, do not understand the philosophy back of the soil bank.

As was stated by my good friend the Senator from Oklahoma, the idea was to reduce production, so as not to aggravate further our surpluses. That is the proposal.

Mr. WILLIAMS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield.

The PRESIDING OFFICER. The Senator from Louisiana declines to yield.

Mr. ELLENDER. That is the reason and the purpose of the soil bank.

Whether the reduction is made on a farm of 10,000 acres or a farm of 10 acres makes no difference; the bill will not give the producer additional income. All it will do is give him an amount equal to what he might have obtained for the

use of his land if he had planted the acres. That is all the soil bank does.

I want us to enact a farm bill, and I want us to get it to the President as soon as possible. As has been stated by my good friend the Senator from Vermont, if the bill is loaded down with a great many amendments—amendments which will have to go to conference—we shall not have a bill in time to assist the farmers this year.

If the motion of the Senator from Massachusetts prevails, and if those of us who desire a farm bill this year can also prevail with respect to a motion to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to—

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. AIKEN. I suggest that if the purpose of the proponents of the amendment is to limit the payments which can be made to any one farm, that can be accomplished in connection with the appropriation bill.

Mr. JENNER. But that will be very difficult to accomplish. In fact—

The PRESIDING OFFICER. The Senate will be in order. The Senator from Louisiana has the floor.

Mr. ELLENDER. Mr. President, as I have indicated, the purpose of the soil bank has been explained so often on this floor that I am surprised that some Members of the Senate apparently do not yet understand its philosophy.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. SALTONSTALL. Mr. President, I yield two additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. ELLENDER. I thank the Senator from Massachusetts.

Mr. President, the soil bank provisions will not enrich any farmer, because if he were to plant the acres that he may place in the soil bank, he probably could make more money. But if he does plant them, the result will further aggravate our surpluses.

Let us bear in mind that the main purpose of the soil bank is not to further aggravate our surpluses, to reduce production, and to bring supply in line with demand. It is hoped that as a result, prices will rise, and the Government will be able to get out of the business of having to lend so much money on these commodities.

Mr. President, let us vote in favor of the motion to reconsider, and then let us vote to reject the amendment of the Senator from Delaware [Mr. WILLIAMS], and thereby have a bill which I believe the House of Representatives will accept. In doing so, we can have the bill on the President's desk probably Monday or Tuesday of next week.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS. Mr. President, the Senator from Louisiana has said that the Senator from Delaware and the Senator from Indiana, in offering the amendment providing limitations on the acreage-reserve payments and soil-conservation payments, did not understand the soil-bank plan and did not understand what they were doing. Included in that statement, the Senator from Louisiana should have said that Secretary Benson likewise did not understand what he was doing.

Mr. ELLENDER. I do not mind including him, too. [Laughter.]

Mr. WILLIAMS. The original soil-bank plan which was introduced in the Senate by the Senator from Vermont was sent here by the administration and called for a conservation-payment limitation of \$7,500. I think the Senator from Louisiana was a cosponsor of a similar measure. The Senator from Louisiana may not have been a cosponsor of it, but it had 5 or 6 cosponsors.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 more minute to me?

Mr. KNOWLAND. I yield an additional minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS. Mr. President, there is no question that the Secretary did urge that such limitation be imposed; and in his message to Congress the President of the United States recommended the other feature, namely, a limitation on the acreage-reserve payments.

If there is no further debate on the bill, Mr. President, I should like to suggest that the remaining time be yielded back.

Mr. KNOWLAND. Mr. President, time still remains for debate on the motion, does it not?

The PRESIDING OFFICER. A motion to lay on the table is not in order until all time has either been used or yielded back.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute on the bill itself.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, I rise to support the motion of the Senator from Massachusetts [Mr. SALTONSTALL] that the Senate reconsider, first, the action of the Senate in ordering the third reading of the bill. If that is done, the Senator from Massachusetts, as I understand, will then move that the Senate reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to.

I hope the motions to reconsider will be adopted by the Senate, for the reasons which have been stated by the Senator from Vermont, the Senator from Oklahoma, and the Senator from Louisi-

ana, the distinguished chairman of the committee.

Mr. SALTONSTALL. Mr. President—

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. HOLLAND. Mr. President—

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield 5 minutes to me?

Mr. SALTONSTALL. Very well, Mr. President; I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I wish to call attention, first, to the fact that this point is not one which was overlooked by either the Senate committee or the conference committee. This matter was very carefully considered in the Senate committee, and was attached to the Senate committee's report (No. 1484) filed on the previous bill; and the subject matter was dealt with under the subject of proposed regulations.

I read the following:

2. Maximum and minimum participation (these should be administrative affairs, not specified in the law; also there should be discretion to take care of farmers who for reasons of sickness or disability may not wish to operate their farms).

It was so left that in the case of sickness or disability, farms could be retired entirely from production, regardless of the amount involved, so as to better serve the soil-bank principle.

In connection with the conference report, Senators will find similar statements on page 52. For instance, the proposed regulations, setting up the acreage reserve program for grains, would allow a maximum of "50 acres or 50 percent of allotment, whichever is larger," to be placed in the program and similar limitations are set out for every other kind of crop.

We have been through this matter in conference. We found that it was a subject matter on which we could not agree with the House conferees. If we place such provisions in this bill, we are likely to have the same experience. Up to this stage we have not placed in the bill anything which we think would require a conference. We found that the Department of Agriculture was not at all extravagant in its ideas on this subject. Its testimony supported the statements we have made as to the regulations which were intended, covering maximum and minimum figures, and similar matters.

I voted against the amendment, because I felt that the wise course was to make every effort to get a satisfactory bill, and to try to retire as much land as possible. I do not think we have an extravagant spendthrift occupying the office of Secretary of Agriculture. Under this report, if he were inclined to be such, he could not be and still comply with the suggestions of the Congress.

I hope the motion to reconsider will be agreed to, and that we can go back and undo the wrong, and get a bill which can become law shortly, without the necessity of being confronted by some conferees who, I think, have no desire to see a soil bank bill enacted into law.

Mr. SALTONSTALL. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I intend to vote for the motion to reconsider, but only for one reason. I would be the last person to deny to any Member of the Senate an opportunity to reconsider his vote, if he desired to do so. I shall vote precisely as I did before, but I am perfectly willing to see the amendment reconsidered. Then the decision will be up to the conscience and judgment of every individual Member of the Senate. So I sincerely hope that the motion to reconsider will be agreed to. I trust we may have assurances that when the time comes there will be a ye-and-nay vote on the amendment. I would certainly not like to be foreclosed from that opportunity.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remaining time on my side.

Mr. CAPEHART. Mr. President, will the Senator yield to me 1 minute?

Mr. SALTONSTALL. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I voted against the amendment purely because I sincerely and honestly believed, from the top of my head to the bottom of my feet, that such action was to the best interests of the small farmer. That is the only reason I did it. I care nothing about the large farmers, except that I wish to see a reduction in production in order to get the small farmer's prices back up where they belong. I voted as I did because I believed it to be in the best interests of the little fellow, and not the big fellow.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remainder of my time, if the minority leader wishes to do likewise.

Mr. KNOWLAND. Mr. President, I wish to say, in reply to the inquiry made by the Senator from Illinois, that, first of all, I hope the motion to reconsider will be agreed to. Personally, I shall vote to reconsider, and then vote in opposition to the amendment of the Senator from Delaware. Nevertheless, I give assurance, so far as I can, that I will support a demand for a ye-and-nay vote, in order that Senators may not be foreclosed from the opportunity to which the Senator from Illinois has referred.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of the time allotted to him?

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time allotted to me, and then I shall be prepared to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. SALTONSTALL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	McCarthy
Allott	Goldwater	McClellan
Anderson	Hayden	McNamara
Barrett	Hennings	Millikin
Beall	Hickenlooper	Monroney
Bender	Hill	Mundt
Bennett	Holland	Neuberger
Bible	Hruska	Payne
Bridges	Humphrey	Potter
Butler	Jackson	Purtell
Capehart	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Cotton	Kerr	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Laird	Symington
Duff	Langer	Thye
Dworshak	Lehman	Watkins
Eastland	Long	Williams
Ellender	Magnuson	Wofford
Ervin	Mansfield	Young
Flanders	Martin, Iowa	
Frear	Martin, Pa.	

The PRESIDING OFFICER. A quorum is present.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. At the present moment my motion is a motion to reconsider the action of the Senate in ordering the amendments to be engrossed and the bill to be read the third time. Is that correct?

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

Mr. WILLIAMS. Mr. President, we all know what the issue at stake is. If it is agreeable to the Senator from Massachusetts, I would have no objection to reconsidering the vote by which the amendments were ordered to be engrossed and the bill ordered to a third reading, in order that he may make his motion directly on the amendment, following which I shall make a motion to table that motion, and we can have a direct vote.

The PRESIDING OFFICER. The Chair is advised that that can be done only by unanimous consent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. If that course of action is followed, will there then be an hour's debate on the motion to reconsider the vote by which the Williams amendment was agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. Mr. President, we do not wish to take too much time. I am wondering if we could not include in the unanimous-consent request a provision that there be no further debate, that the Senate proceed immediately to vote, and that the yeas and nays be ordered.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. As I understand, if I now ask unanimous consent to

reconsider the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered, I can then make a motion to reconsider the action by which the Senate adopted the amendment of the Senator from Delaware, and ask that all time on that motion to reconsider be waived.

The PRESIDING OFFICER. The Senator is correct.

Mr. SALTONSTALL. I therefore ask unanimous consent that the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered be now reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Would it be possible to include all of that in one unanimous-consent request?

The PRESIDING OFFICER. It could be done in one unanimous-consent request.

Mr. RUSSELL. I would object to its being done piecemeal. If it is all done at one time, and included in one unanimous-consent request, I have no objection to it.

Mr. SALTONSTALL. Mr. President, I adopt the suggestion of the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? Without objection, the request of the Senator from Massachusetts is modified as suggested by the Senator from Georgia and the modified unanimous-consent request is agreed to.

Mr. SALTONSTALL. If it is now in order to do so, I yield back all my time.

Mr. RUSSELL. I understood that that was included in the unanimous-consent agreement.

The PRESIDING OFFICER. That is a part of the unanimous-consent agreement. The question now is—

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. As I understand, the Senator from Massachusetts would still be permitted to make a motion to reconsider the vote whereby my amendment was agreed to.

Mr. RUSSELL. No; that has all been included in the unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. That has all been included in the unanimous-consent agreement.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. Would a motion to lay on the table be in order at this time?

The PRESIDING OFFICER. The Chair understands that the parliamentary position at this time is—

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the combined unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. Such a request is in order. The request is suffi-

ciently seconded, and the yeas and nays are ordered.

Mr. JENNER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JENNER. As I understand the parliamentary situation, since the Senate has adopted the combined unanimous consent request of the Senator from Georgia and the Senator from Massachusetts, we are now back where we were a moment ago, and we are now voting on the original question, namely, on the amendment offered by the Senator from Delaware, and that the yeas and nays on that question have been ordered.

The PRESIDING OFFICER. The parliamentary situation, as the Chair understands it, is that the question now is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The yeas and nays on that question have been ordered, and the clerk will call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. I wish to be sure that I understand the parliamentary situation. As I understand, we are now voting on the motion of the Senator from Massachusetts [Mr. SALTONSTALL] to reconsider the previous action of the Senate in agreeing to my amendment. A "yea" vote will be against a limitation, as proposed in my amendment; and a "nay" vote will be for the action previously recorded by the Senate. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. A vote "yea" is a vote in favor of reconsideration. A vote "nay" is a vote against reconsideration. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). On this vote I have pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "nay" and the Senator from North Carolina would vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Florida would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "nay."

On this vote the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 49, nays 22, as follows:

YEAS—49

Alken	George	Magnuson
Anderson	Hayden	Mansfield
Beall	Hennings	Martin, Iowa
Bender	Hickenlooper	McClellan
Bennett	Hill	McNamara
Bible	Holland	Millikin
Butler	Hruska	Monroney
Capehart	Humphrey	Neuberger
Case, N. J.	Jackson	Saltonstall
Case, S. Dak.	Johnson, Tex.	Sparkman
Clements	Johnston, S. C.	Stennis
Curtis	Kefauver	Symington
Daniel	Kerr	Thye
Dirksen	Knowland	Watkins
Duff	Laird	Wofford
Ellender	Lehman	
Ervin	Long	

NAYS—22

Allott	Kuchel	Robertson
Barrett	Langer	Russell
Cotton	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	Mundt	Williams
Frear	Payne	Young
Goldwater	Potter	
Jenner	Purtell	

NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murray	Wiley

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. All time is yielded back, the

yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote, the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 28, nays 43, as follows:

YEAS—28

Allott	Jenner	Potter
Barrett	Kuchel	Purtell
Case, S. Dak.	Langer	Robertson
Cotton	Mansfield	Russell
Dirksen	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	McNamara	Williams
Frear	Mundt	Young
Goldwater	Neuberger	
Humphrey	Payne	

NAYS—43

Aiken	George	Long
Anderson	Hayden	Magnuson
Beall	Hennings	Martin, Iowa
Bender	Hickenlooper	McClellan
Bennett	Hill	Millikin
Bible	Holland	Monroney
Butler	Hruska	Saltonstall
Capehart	Jackson	Sparkman
Case, N. J.	Johnson, Tex.	Stennis
Clements	Johnston, S. C.	Symington
Curtis	Kefauver	Thye
Daniel	Kerr	Watkins
Duff	Knowland	Wofford
Ellender	Laird	
Ervin	Lehman	

NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murray	Wiley

So Mr. WILLIAMS' amendment was rejected.

Mr. JENNER subsequently said: Mr. President—

Mr. KNOWLAND. Mr. President, I yield a half minute to the Senator from Indiana.

Mr. JENNER. Mr. President, following the vote just taken, I should like to have printed in the RECORD the yeas-and-nay vote on the amendment when it was adopted originally, when H. R. 12 was under consideration, and also the first vote today on the Williams amendment, which has just been rejected.

The PRESIDING OFFICER. Is there objection?

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

[From CONGRESSIONAL RECORD of March 12, 1956]

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

On this question, the yeas and nays have been ordered; and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Hampshire [Mr. COTTON] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. COTTON] would vote "yea."

The result was announced—yeas 78, nays 11, as follows:

Yeas—78: Aiken; Allott; Barkley; Barrett; Beall; Bender; Bennett; Bible; Bricker; Bridges; Bush; Butler; Byrd; Carlson; Case, New Jersey; Case, South Dakota; Chavez; Clements; Curtis; Daniel; Dirksen; Douglas; Duff; Dworshak; Ervin; Flanders; Frear; George; Goldwater; Gore; Green; Hennings; Hickenlooper; Hill; Hruska; Humphrey; Ives; Jackson; Jenner; Johnson, Texas; Johnston, South Carolina; Kennedy; Kuchel; Langer; Lehman; Magnuson; Malone; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Monroney; Morse;

Mundt; Murray; Neely; Neuberger; O'Mahoney; Pastore; Payne; Potter; Purtell; Saltonstall; Schoeppel; Scott; Smathers; Smith, Maine; Smith, New Jersey; Sparkman; Symington; Thurmond; Thye; Watkins; Welker; Wiley; Williams; Young.

Nays—11: Anderson; Eastland; Ellender; Fulbright; Hayden; Holland; Kerr; Knowland; Long; McClellan; Stennis.

Not voting—6: Capehart; Cotton; Kefauver; Millikin; Robertson; Russell.

So Mr. WILLIAMS' amendment, as amended, was agreed to.

[From the CONGRESSIONAL RECORD of May 18, 1956]

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

Yeas—44: Allott; Barrett; Beall; Bender; Bennett; Bridges; Butler; Case, New Jersey; Case, South Dakota; Cotton; Curtis; Dirksen; Duff; Dworshak; Flanders; Frear; Goldwater; Hayden; Hickenlooper; Hill; Hruska; Humphrey; Jenner; Kuchel; Langer; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Mundt; Neuberger; Payne; Potter; Purtell; Robertson; Russell; Saltonstall; Schoeppel; Smith, Maine; Sparkman; Watkins; Williams; Young.

Nays—29: Aiken; Anderson; Bible; Capehart; Clements; Daniel; Eastland; Ellender; Ervin; George; Hennings; Holland; Jackson;

Johnson, Texas; Johnston, South Carolina; Kefauver; Kerr; Knowland; Laird; Lehman; Long; Magnuson; McClellan; Millikin; Monroney; Stennis; Symington; Thye; Wofford.

Not voting—22: Bricker; Bush; Byrd; Carlson; Chavez; Douglas; Fulbright; Gore; Green; Ives; Kennedy; Malone; Morse; Murray; Neely; O'Mahoney; Pastore; Scott; Smathers; Smith, New Jersey; Welker; Wiley. So the amendment of Mr. WILLIAMS was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

Mr. ELLENDER. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. WILLIAMS and other Senators requested the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. JOHNSON of Texas. Mr. President, I yield a few minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, just prior to the vote on the bill, a statement prepared by the Department of Agriculture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Herein is a list of the differences between S. 2949, which was prepared by the Department of Agriculture, and H. R. 10875 as reported by the Senate Committee on Agriculture. The differences are as follows:

1. The declaration of policy in H. R. 10875 takes wildlife conservation interests into account.

2. H. R. 10875 includes in the acreage reserve program, along with the commodities covered by S. 2949, the following: corn produced outside the commercial area, grain sorghums, barley, rye, oats, peanuts, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44.

3. H. R. 10875 permits reserve acreage to be grazed, if necessary, to relieve disaster.

4. H. R. 10875 provides specifically for inclusion in the acreage reserve program of lands on which the 1956 crop is plowed under, or the reduction in acreage otherwise made, within 21 days after enactment of the act.

5. Provisions for the control of noxious weeds have been specifically included in the acreage and conservation reserve programs by H. R. 10875.

6. H. R. 10875 prescribes acreage reserve contracts containing penalties for violation.

7. H. R. 10875 provides for a base acreage of 51 million acres for corn in lieu of an

acreage allotment for 1956 and for 1957, 1958, and 1959 if producers vote for discretionary price support in lieu of acreage allotments and mandatory price support.

8. H. R. 10875 contains price-support provisions for corn and feed grains.

9. H. R. 10875 makes participation in the soil-bank program a requirement for price-support eligibility for corn and feed grains, and provides a base acreage similar to an acreage allotment for feed grains.

10. H. R. 10875 restricts acreage-reserve payments in kind to payments made with respect to grains, limits the amount of grain which may be used for payments in kind, restricts the time for making payments in grain with respect to the normal harvesting season, provides that payments shall be such as to encourage underplanting allotments for more than 1 year, and requires the Secretary to make adjustments in yields for abnormal conditions in establishing rates of compensation.

11. H. R. 10875 requires acreage-reserve compensation to be paid as soon as compliance with acreage-reduction requirements have been determined.

12. H. R. 10875 imposes an annual limitation of \$750 million upon the overall acreage-reserve program and individual annual limits on acreage-reserve programs for each commodity.

13. Section 106 of S. 2949, which authorized the sale of certain quantities of Commodity Credit Corporation stocks at market prices without regard to the sales price limitations of section 407 of the Agricultural Act of 1949, is omitted from H. R. 10875.

14. H. R. 10875 provides for soil, water, wildlife and forest conserving uses on conservation reserve lands.

15. H. R. 10875 extends the conservation reserve program to lands devoted to such soil-conservation crops as tame hay which do not require annual tillage.

16. H. R. 10875 permits harvesting of timber and wildlife or other natural products from conservation reserve lands.

17. H. R. 10875 provides for inclusion in conservation reserve contracts of a prohibition against diversion of lands from conservation, woods, grazing or other use to any use specified by the Secretary as one which would tend to defeat the purpose of the contract.

18. The penalty provisions applicable to soil bank contracts have been substantially modified to provide special penalties for grazing or harvesting, to provide different forfeitures for more serious violations, and to provide administrative and court review of contract terminations for serious violations.

19. H. R. 10875 permits the Secretary to use advertising and bid procedure in determining lands to be covered by conservation reserve contracts.

20. H. R. 10875 provides for the establishment of a conservation reserve goal and for its distribution among States on the basis of the needs of the country and of the various States.

21. H. R. 10875 provides for annual reports to Congress on the conservation reserve program.

22. The limitation of \$5,000 on annual conservation reserve payments to any person with respect to land in any State is omitted from H. R. 10875.

23. H. R. 10875 authorizes 15-year conservation reserve contracts for tree cover.

24. The annual conservation reserve program would be limited to \$450 million by H. R. 10875.

25. H. R. 10875 authorizes the Secretary to produce, as well as purchase, conservation materials and services for the conservation reserve program.

26. H. R. 10875 requires compliance with acreage allotments as a condition of eligibility for soil bank participation.

27. H. R. 10875 prohibits the reapportionment of acreage allotments diverted from production as a result of soil bank participation.

28. Section 118 of H. R. 10875 provides for utilization of a number of Federal and State agencies.

29. Section 119 of H. R. 10875 provides for the utilization of land use capability data.

30. H. R. 10875 provides for the use of appropriated funds in carrying out the soil bank after June 30, 1957.

31. Provisions for the protection of tenants and sharecroppers have been consolidated and substantially modified in H. R. 10875.

32. H. R. 10875 prohibits the leasing of Government lands for the production of surplus price-supported crops.

33. H. R. 10875 provides for pooling of conservation-reserve land.

34. H. R. 10875 provides for the orderly liquidation of CCC stocks and submission to Congress of surplus disposal, food stamp, and food stockpiling programs.

35. H. R. 10875 brings cotton stapling $1\frac{1}{16}$ inches and longer within the quota applicable to cotton stapling $1\frac{1}{8}$ inches or longer, and requires CCC to sell its current stocks of extra long staple cotton.

36. H. R. 10875 provides for an export sales program for cotton.

37. H. R. 10875 authorizes agreements limiting exports by foreign countries to the United States.

38. H. R. 10875 authorizes \$500 million to be appropriated annually to supplement section 32 funds.

39. H. R. 10875 provides for transfer to the supplemental stockpile of other materials acquired through barter, as well as strategic materials so acquired, and authorizes appropriations to reimburse the Commodity Credit Corporation for materials so transferred.

40. H. R. 10875 increases the amount authorized to be appropriated under title II of Public Law 480 to \$500 million, and authorizes payment by CCC of ocean freight costs on donations under title II of Public Law 480 and section 416 of the Agricultural Act of 1949.

41. H. R. 10875 provides for a bipartisan commission to recommend legislation for the increased industrial use of agricultural products.

42. H. R. 10875 provides for food donations to certain penal institutions.

43. H. R. 10875 prohibits extension of certain benefits to crops grown on certain Federal irrigation or drainage projects.

44. H. R. 10875 authorizes the Commodity Credit Corporation to pay the cost of processing donated food commodities.

45. The provision of S. 2949 for extension and enlargement of the special school milk program is omitted from H. R. 10875, having been taken care of by other legislation.

46. The provision of S. 2949 changing the base grade of cotton for purposes of parity and price support is omitted from H. R. 10875.

47. The provision of S. 2949, reducing CCC's minimum general sales price for basic and storable nonbasic commodities to the current support price plus carrying charges, is omitted from H. R. 10875.

48. H. R. 10875 provides for extension to the 1956 and 1957 wheat crops of the surrender and reapportionment provisions applicable to the 1955 crop.

49. H. R. 10875 provides for minimum national and State acreage allotments for cotton for 1957 and 1958.

50. H. R. 10875 provides mandatory minimum cotton farm acreage allotments in all counties (including those on a historical basis) and provides 100,000 additional acres.

51. H. R. 10875 provides minimum State rice acreage allotments for 1956 and minimum national and State rice acreage allotments for 1957 and 1958.

52. H. R. 10875 increases peanut marketing penalties to 75 percent of the support price.

53. H. R. 10875 imposes interest at 6 percent on peanut marketing penalties, and imposes a lien upon the crop until the penalty is paid.

54. H. R. 10875 provides for the preservation of the acreage history of unused allotments where proper notice is given to the county committee.

55. S. 2949 contains special durum wheat provisions similar to those of Public Law 431 of this Congress.

56. S. 2949 would have reduced the size of the commercial wheat area.

57. S. 2949 would have repealed the peanut minimum national acreage allotment provision.

58. H. R. 10875 provides for assistance to States for tree planting and reforestation.

59. H. R. 10875 provides for forest products price reporting and research.

60. H. R. 10875 provides for a 2-price plan for rice.

61. H. R. 10875 provides for support at competitive support levels for cottonseed and soybeans whenever the price of either is supported.

62. H. R. 10875 freezes the transitional parity price of corn, wheat, and peanuts at 95 percent of old parity in 1957 and 1958, and provides for a study of the parity formula.

63. S. 2949 provides for a gasoline tax refund. This has been passed by other legislation.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield to me for half a minute?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. I ask unanimous consent that the bill be printed with the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, in order that there may be no misunderstanding, I merely wish to repeat what I said previously about the amendment which was just rejected.

That amendment was recommended by the President to be included in the bill, and the Secretary of Agriculture testified before the committee and urged the limitations provided by the amendment. It has been recommended by the administration throughout; and the original bill which was introduced by the Senator from Vermont and practically every member of the Committee on Agriculture and Forestry except myself included the same provision as has just been rejected.

The PRESIDING OFFICER. Do the Senators in control of the time yield back the remainder of their time?

Mr. KNOWLAND. I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I should like to ask several questions of the distinguished chairman of the Committee on Agriculture and Forestry, on a matter of some importance.

The first question is, Under the conservation reserve program, is it intended to put land into trees and vegetative cover which might otherwise be used for

producing field crops which are in surplus supply?

Mr. ELLENDER. The answer is "Yes."

Mr. NEUBERGER. The second question is, Would the fact that good, sound productive soil was once in trees and is now available for crop use rule out such land as being cropland eligible for the conservation reserve program?

Mr. ELLENDER. The answer is "No."

Mr. NEUBERGER. The reason I have asked the questions is that there are some areas of Oregon and Washington which were planted in fine fruit trees, but, because of a disastrous freeze, they are about to be used for the production of field crops.

However, if the particular farmers can get some assistance under the conservation reserve program, they will return the land to nursery stock and vegetative cover for a number of years, and thereby avoid increasing the production of crops in surplus supply.

Does the language of the bill authorize the Department of Agriculture to include such acreage in a conservation reserve contract? Is that the opinion of the distinguished chairman of the Committee on Agriculture and Forestry?

Mr. ELLENDER. If the land is considered as cropland it could be put in the conservation reserve and put into vegetative cover or trees; but I doubt that it could be put into trees such as apple trees, or even nursery stock. In my opinion, that could not be done within the purposes of the act.

In other words, if the land that has been an apple orchard and crops have been regularly produced on it, the land could be put into the conservation reserve program, but it could not be put back into apples or back into a producing crop, as I understand the bill.

Mr. NEUBERGER. In other words, if it was used for nursery stock, it would not qualify under the conservation reserve.

Mr. ELLENDER. That is correct. I do not see how it could be used for the production of any agricultural commodity and still meet the purposes of the act.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on the final passage of the bill.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 10875) was passed.

GREAT LAKES BULK-CARGO VESSELS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk-cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

CONFERRING JURISDICTION UPON UNITED STATES DISTRICT COURTS TO ADJUDICATE CERTAIN CLAIMS OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. CLEMENTS. Mr. President, on behalf of the Senator from West Virginia [Mr. NEELY], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, notwithstanding any lapse of time or statute of limitations, and notwithstanding section 1346 (d) (2) of title 28, United States Code, the United States district courts shall have jurisdiction of all civil actions or claims to recover fees, salary, or compensation for official services of employees of the United States which were filed prior to October 31, 1951, and were thereafter dismissed for want of jurisdiction as a result of the amendment made to such section by section 50 (b) of the act entitled 'An act to amend certain titles of the United States Code, and for other purposes', approved October 31, 1951.

"Such cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court within 1 year after the effective date of this act."

And the Senate agree to the same.

MATTHEW M. NEELY,
PRICE DANIEL,
ARTHUR V. WATKINS,

Managers on the Part of the Senate.

JAMES B. FRAZIER, Jr.,
WILLIAM TUCK,
PATRICK J. HILLINGS,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CLEMENTS. Mr. President, the language of H. R. 5862 as it passed the House of Representatives and the language of the amendment in the nature of a substitute which was adopted by the Senate are designed to accomplish precisely the same purpose. For that reason, there is no disagreement on the purpose that is to be achieved by the proposed legislation. The conferees have agreed that the language in the House version, so far as it adopted the form of temporary legislation rather than a permanent amendment to title 28 of the United States Code, should be adopted. However, the conferees felt that additional language which was contained in the Senate version should be supplied to the House version to make clear that cases affected by this measure may be restored, by appropriate petition, in the courts from which they were dismissed.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE REPORT OF A COMMITTEE

Mr. EASTLAND, by unanimous consent, as in executive session, submitted the following favorable report of a nomination from the Committee on the Judiciary:

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board, vice Kathryn McHale, term expired.

NOMINATION OF SENATOR LONG TO A THIRD TERM IN THE SENATE

Mr. JOHNSON of Texas. Mr. President I wish to congratulate our beloved friend and colleague, the Honorable RUSSELL LONG, one of the youngest Senators ever to enter this Chamber, who today has been nominated—the time for filing has closed without his having any opponent—to his third term in the United States Senate.

I believe the record will show that Senator LONG is the youngest person ever to have been nominated to a third term and elected to a third term—nomination in this instance being equivalent, I am confident, to election.

I know that all Senators share my very high regard and deep affection for Senator LONG.

Earlier today an order was entered upon the recommendation of the Democratic steering committee, electing Senator LONG to one of the great committees of the Senate, the Committee on Foreign Relations.

Senator LONG is the able son of worthy parents. Both his father and his mother served in this Chamber with distinction.

I know all my colleagues will want to join with me in congratulating Senator LONG upon this attainment of an honor which has come to few, if any, men in our history.

PEOPLE'S CAPITALISM

Mr. HUMPHREY. Mr. President, earlier this year under the auspices of the

United States Information Agency, and based on a proposal of the National Advertising Council, an exhibit called *People's Capitalism* was on display at the Union Station. Certain aspects of this exhibit caused widespread concern, particularly among observers who have considered possible repercussions in Asia and Africa, areas sensitive to any representation of the United States as a boastful, materialistic power. There was a feeling among many observers that *People's Capitalism*, as first displayed, presented a picture of an America, proud only of its material achievements and largely devoid of deeper spiritual or philosophical foundations.

Typical of the reactions of many observers are the comments of Mr. S. Douglas Cornell, executive officer of the National Academy of Sciences in Washington. I ask unanimous consent that a 10-paragraph description written by him of the *People's Capitalism* exhibit be inserted at this point in my remarks.

There being no objection, the statement was ordered to be printed in the *RECORD*, as follows:

PEOPLE'S CAPITALISM

The *People's Capitalism* exhibit fills me with dismay. Dismay because it shows with all the terrible persuasiveness of the skilled professional salesman the stark materialism of America that many foreigners, in my opinion, fear for its emptiness of spiritual values even more than they envy for its material achievements. Dismay, too, because if that aspect of America is the best message for the world that public-spirited business organizations of the country, and the USIA, can prepare, then we are indeed in an era of spiritual poverty and we may well despair of America's willingness to find the humility and make the sacrifice that alone can bring an answer to the divisions within and outside our country.

What is the exhibit designed to do? If it is to show what America has accomplished economically and industrially, then it does a splendid job. But I cannot see the relevance of that to other people's problems in the world today except insofar as it shows the magnificent physical equipment that we have to help others. It fails to say how, or even whether, we propose to use our wealth, our resources, our great good fortune, our energies, and our hearts to help solve the world's problems. That is what would carry a truly compelling message to other peoples.

If it is intended to show that the prosperity we have gained is what other nations should desire and could achieve if they emulated us, and that therein lies the answer for a groping, longing world, then it seems to me to be based on a fundamental fallacy. Other peoples will not be convinced. They know something of the extraordinary combination of natural resources, geography, transportation, communications, temperament, energies, and talents that built our industrial civilization. Why should an account of that kind speak persuasively to India, where there is no coal and millions lack the fuel to warm themselves or to cook their food? Or to China with teeming millions in an agrarian culture? Or to Japan, crowded into a narrow strip of habitable land and heavily dependent on foreign sources for raw materials and even food? Or to Burma, or Indonesia, or Afghanistan?

America cannot meet the deepest needs of people today by displaying the material results of our particular combination of fortunate circumstances, and saying, in effect, "You should be like us, and you can be if you will work as hard and be as lucky." Many other people work harder than we do,

and they haven't been as lucky. And many of them see us enthroning material prosperity as our standard and economic success as our god, and the wise among them don't want that.

The exhibit is not an effective answer to Soviet propaganda. The Soviets already know what we have accomplished in industrial production; indeed, they keep saying publicly that they are striving to match our high performance. Everyone else knows it too. And the statistics of public participation in our capitalism, no matter how heartening to us, won't mean much to the peasant who cannot comprehend them or to the intellectual who has learned to mistrust all statistics, and especially "official" ones.

What people everywhere need most to know is the answer to the question, "What is in America's heart?" Not the heart of an advertising man alone, nor of a Government official, but in the hearts of the men and women who are America. There is fear that, as has been said recently by a Canadian philosopher, both America and Canada have pursued economic prosperity at the expense of everything else and have won exactly that—economic prosperity at the expense of everything else.

America has a slumbering heart—a heart that once responded to the spiritual challenge of a revolution fought to establish moral standards as the very basis of democracy and freedom. Our Founding Fathers understood these things with crystal clarity. In 1776 John Adams said, "There must be a positive passion for the public good, and public interest, honor, power, and glory, established in the minds of the people, or there can be no republican government, or any real liberty." And in his *Notes on Virginia* Thomas Jefferson wrote, "Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?"

Where are those elements in the *People's Capitalism* exhibit? How does America propose to use her good fortune to meet the world's needs? What is in America's heart? If others already fear that we have subordinated the spiritual values that are the foundation of our democracy to an economic and material god and to standards that have nothing to do with moral conduct, then the *People's Capitalism* exhibit will go far to confirm those fears.

Where is the exhibit that will speak to people because it shows evidence that we are striving to raise in the modern world that "standard to which the wise and honest can repair" that was enjoined on the Constitutional Convention 169 years ago by George Washington?

I realize that these comments do not themselves offer constructive alternative material for an exhibit. The preparation of an exhibit for extensive overseas showing would require the greatest care and a searching effort to find the facets of American life, and the evidence of American convictions, that would carry a message of courage, strength, moral purpose, and faith in a future, to give to the peoples of the world. I should be glad to discuss these matters further.

Mr. HUMPHREY. Mr. President, when the distinguished senior Senator from New Jersey [Mr. SMITH] brought Mr. Cornell's analysis to my attention early in April, I wrote to the Senator agreeing with many of the criticisms which had been made of the *People's Capitalism* exhibit.

I ask unanimous consent that pertinent portions of my letter to the Senator of April 6, 1956, be inserted at this point in my remarks.

There being no objection, the portions of the letter were ordered to be printed in the *RECORD*, as follows:

The Honorable H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

DEAR ALEX: Thank you very much for your letter of April 2 and the enclosed copy of the letter you have written to Secretary Dulles about the exhibit, *People's Capitalism*. Alex, I agree with you completely and want to endorse everything you said in your letter to the Secretary. I think that Mr. Cornell's account is also precisely in point. Why is this point so hard for some people to grasp?

I am sure that you were as distressed as I was to read in President Eisenhower's speech to the National Advertising Council on the same day that you wrote your letter, April 2, that the *People's Capitalism* exhibit seemed imaginative to him. I was even more distressed to find him adding: "I don't know how many of you have seen it, but to me it is the kind of message that America ought to be carrying abroad. I would have liked to have seen some kind of adjective put between 'people's' and 'capitalism,' * * * something of the order of 'competitive' or something of that kind."

This statement by the President was all the more ironic because he went on later in his speech to stress the importance of our belief in "the dignity of man, the independence of nations, the right of people to determine for themselves their own faith"—rather than stressing the 150 gadgets in a new American kitchen.

I have lauded today the constructive elements of the President's speech. I am attaching a news release which says so in so many words. I wish I could similarly laud the President's endorsement of the *People's Capitalism* project and regret that I cannot.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, during recent weeks, I have been pleased to hear that the United States Information Agency was reconsidering some aspects of the *People's Capitalism* exhibit. This information was substantiated by an article appearing in the *Washington Star* on May 16, 1956, entitled "USIA Revising Exhibit on *People's Capitalism*." I ask unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

USIA REVISING EXHIBIT ON PEOPLE'S CAPITALISM

The United States exhibit designed to show people overseas how the American system of capitalism works for everyone in this country is undergoing changes in its individual displays.

The exhibit, named *People's Capitalism*, is the work of the United States Information Agency. It was based on an idea offered by the Advertising Council.

When it was given a trial showing in Washington last February, President Eisenhower and thousands of Washingtonians and representatives of foreign nations visited it. The USIA solicited suggestions from all visitors.

CHALLENGED BY EXPERTS

One of the comments voiced by several local museum experts was directed against the opening display in the exhibit, a copy of an old home labeled "This is the way Americans lived in 1776." The experts said that many of the house's furnishings dated from a later period than 1776, some of them from the mid-19th century.

One of the principal changes the USIA is making before sending the exhibit over-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 22, 1956
For actions of May 21, 1956
84th-2nd, No. 83

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HIGHLIGHTS: Farm bill sent to conference. Senate debated Johnston retirement bill. House committee reported public works appropriation bill. House passed bills altering dates for proclamation of tobacco quotas and basing penalties on violations of tobacco allotments on a harvested basis. House received from President supplemental appropriation estimates for USDA. House received USDA proposed bill to increase Public Law 480 authorization. Rep. Christopher criticized county committee system. Sen. Kennedy and others introduced and Sen. Kennedy discussed bill to revise budgeting and accounting process. Sen. Ellender introduced bill to increase Public Law 480 authorization. Rep. Green, Oreg., introduced and discussed bill to provide assistance for disaster stricken orchards.

SENATE

1. FARM PROGRAM. Senate and House conferees were appointed on H. R. 10875, the farm bill. p. 7677, 7688
2. FORESTRY. Passed without amendment S. 2967, to authorize the acquisition of additional lands within the roadless area of the Superior National Forest. p. 7662
At the request of Sen. Bible, passed over S. 1907, to transfer some Title III Bankhead-Jones lands to the Indians of the Zia and Jemez pueblos in N. Mex. p. 7671
3. ECONOMIC REPORT. Passed as reported S. 3332, extending the time for filing the report of the Joint Committee on the Economic Report to Jan. 20 each year, and changing the name of the Committee to the "Joint Economic Committee." p. 7677
4. RECLAMATION. Passed without amendment S. 3101, to authorize construction by the Secretary of the Interior of the Crooked River reclamation project, Ore. p. 7671

Passed without amendment H. R. 1779, to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia reclamation project, Ore. (p. 7672) This bill is now ready for the President.

5. PERSONNEL. Began debate on S. 2875, the Johnston retirement bill. pp. 7678, 7680.
6. VIRGIN ISLANDS. Received the Comptroller General's audit report of the Virgin Islands for the 1955 fiscal year. p. 7651
7. APPROPRIATIONS. Sen. Holland submitted and commented on an amendment intended to be proposed to H. R. 11177, the USDA appropriation bill, to provide \$1,500,000 to combat the Mediterranean fruitfly. p. 7657
8. FEED GRAINS. Sen. Kennedy inserted a letter from the Eastern States Farmers' Exchange opposing higher support prices for feed grains. p. 7653

HOUSE

9. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 11319, the public works appropriation bill for 1957 (H. Rept. 2181). pp. 7689, 7736
Received from the President a supplemental appropriation estimate that will provide 1,250,000 in fiscal year 1956 and \$250,000 in fiscal year 1957 for "Salaries and expenses, Agricultural Research Service" to provide additional funds for a Mediterranean Fruitfly eradication program in Florida; to Appropriations Committee (H. Doc. 207). p. 7735
10. TOBACCO. Passed without amendment H. R. 10108, to provide for the determination of penalties for tobacco acreage allotment violations on a harvested basis rather than a marketed basis. p. 7698
Passed as reported H. R. 9475, to provide for the date of proclamation of marketing quotas for tobacco as Dec. 1 for flue-cured tobacco and Feb. 1 for other kinds of tobacco. p. 7701
11. FOREIGN TRADE. Received from this Department a proposed bill to amend the Agricultural Trade Development and Assistance Act of 1954 by increasing the authorization to \$3 billion, authorizing aid to American-sponsored schools abroad, and permitting barter with Communist countries; to Agriculture Committee. p. 7735
Passed with amendments H. R. 9052, to extend the Export Control Act of 1949 for two years (to June 30, 1958). p. 7717
12. LANDS. Reps. Metcalf, Wier, and Byrnes, Wis., objected to the consideration of H. R. 6815, to provide for the disposition of certain lands acquired under Title III of the Bankhead-Jones Farm Tenant Act. p. 7690
13. ACCOUNTING. At the request of Rep. Aspinall (acting for Rep. Dawson), passed over H. R. 9593, to simplify and facilitate accounting and obligation payment procedures. p. 7690
14. INFORMATION. Passed without amendment H. R. 10417, to amend the Federal Register Act so as to provide that the President may make notice of certain of his acts by other means if, in the event of an enemy attack upon the U. S., the effectiveness of the Federal Register would be limited. p. 7696

culture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over, because obviously it is not calendar business.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF EMPLOYMENT ACT OF 1946, AS AMENDED

The PRESIDING OFFICER. When the call of the calendar began, Order No. 1979, Senate bill 3332, was ordered placed at the foot of the calendar. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3332) to amend the Employment Act of 1946, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BIBLE. In that connection, I specifically invite the attention of the Senator from Illinois [Mr. DOUGLAS] to this particular piece of legislation, with respect to which an explanation was requested.

Mr. DOUGLAS. Mr. President, this bill comes to the Senate with the unanimous approval of the Banking and Currency Committee. It was originally introduced by the Senator from Utah [Mr. WATKINS], the Senator from Vermont [Mr. FLANDERS], and the Senator from Arizona [Mr. GOLDWATER], members of the minority of the Joint Committee on the Economic Report.

The committee made only two minor changes in the bill and the bill would make two minor amendments to the Employment Act of 1946. The first change is that the Joint Committee on the Economic Report would have its title changed to the Joint Economic Committee.

The second change relates to the date at which the President must file his economic report. The present act requires him to file the report at the beginning of each regular session. That has been increasingly interpreted in a very liberal fashion by the Office of the President, and the reports have been coming in quite late. It has been difficult for the joint committee to hold its hearings, so that, in turn, it might make its report by the first of March. The law requires us to submit our report to the Congress by the first of March. The Senate committee struck out a provision in the bill extending the time to March 20 for it is felt the Congress should have the views of its Joint Economic Committee as early in the session of Congress as is possible. Thus there is no change in this date.

We have given more latitude to the office of the President by providing that the report shall be filed not later than January 20 of each year, thus extending for 17 days the time when the President must file his report, if the present Act be interpreted literally. Although the bill will not allow a great deal of time for public hearings on the report and the preparation of the report of the joint

congressional committee, nevertheless, we believe that it will provide adequate time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 8, after "January", to strike out "15" and insert "20", and on page 2, after line 4, to strike out:

SEC. 3. Section 5 (b) (3) of such act (relating to the time for filing the report of the Joint Committee) is amended by striking out "March 1 of each year (beginning with the year 1947)" and inserting in lieu thereof "March 20 of each year."

So as to make the bill read:

Be it enacted, etc., That section 3 (a) of the Employment Act of 1946, as amended (relating to the time for filing the economic report of the President), is amended by striking out "at the beginning of each regular session (commencing with the year 1947)" and inserting in lieu thereof "not later than January 20 of each year."

SEC. 2. Section 5 (a) of such act and the heading thereof are each amended by striking out "Joint Committee on the Economic Report" and inserting in lieu thereof "Joint Economic Committee"; and any other statute in which the name "Joint Committee on the Economic Report" appears is amended to conform to the foregoing change in the name of the joint committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER TO INCLUDE SENATE BILL 746 IN THE NEXT CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the next call of the calendar may include Calendar No. 1975, Senate bill 746, a bill to provide for the return to the former owners of certain lands including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands.

This request is made on behalf of the Senator from North Dakota [Mr. YOUNG].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BUSH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

That completes the call of the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Mr. UDALL had been appointed a manager on the part of the House at the conference of the two Houses on the resolution (S. J.

Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, vice Mr. HALEY, excused.

The message announced that the House has disagreed to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956; asked a conference with the Senate on the disagreeing votes of the two Houses therein, and that Mr. COOLEY, Mr. POAGE, Mr. GRANT, Mr. HOPE, and Mr. AUGUST H. ANDRESEN had been appointed managers on the part of the House at the conference.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1016. An act for the relief of Mrs. Ida Bifolchini Boschetti;
H. R. 2284. An act for the relief of Maj. Robert D. Lauer;
H. R. 2904. An act for the relief of Maj. Orin A. Fayle;
H. R. 3268. An act for the relief of Comdr. George B. Greer;
H. R. 3964. An act for the relief of Kingan, Inc.;
H. R. 4026. An act for the relief of James C. Hayes;
H. R. 4162. An act for the relief of Kahzo L. Harris;
H. R. 4640. An act for the relief of James M. Wilson; and
H. R. 6184. An act for the relief of Lt. P. B. Sampson.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3366) for the relief of Mary J. McDougall.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States;

H. R. 7030. An act to amend and extend the Sugar Act of 1948, and for other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 21, 1956, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

AGRICULTURAL ACT OF 1956

The PRESIDING OFFICER (Mr. PAYNE in the chair) laid before the Senate a message from the House of Repre-

sentatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE conferees on the part of the Senate.

GREAT LAKES BULK CARGO VESSELS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is S. 3108.

The Senate resumed the consideration of the bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

REVISION OF CIVIL SERVICE RETIREMENT ACT

Mr. BIBLE. Mr. President, I ask unanimous consent that the unfinished business, S. 3108, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1813, S. 2875.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2875) to revise the Civil Service Retirement Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment.

THE NOMINATION OF SENATOR MORSE BY THE DEMOCRATIC PARTY AS CANDIDATE FOR SENATOR FROM OREGON

Mr. NEUBERGER. Mr. President, we are pleased to welcome back on the floor the senior Senator from Oregon [Mr. MORSE], who has just been overwhelmingly nominated as the candidate of the Democratic Party of his State for another term in the Senate. In running for the first time as a Democrat, he polled approximately 83 percent of the popular vote of his party, according to unofficial but nearly complete returns. This compares with approximately 49 percent of the Republican Party vote which was polled by ex-Secretary of the Interior McKay, who will be Senator MORSE's opponent in the November general election.

Speaking as a life-long Oregon Democrat, I want to say I am proud that WAYNE MORSE has chosen voluntarily to give his allegiance to our party. Like such great personages as Abraham Lin-

coln, Wendell Willkie, Theodore Roosevelt, and Sir Winston Churchill, the senior Senator from Oregon [Mr. MORSE] has put principle above party, and thus has changed his party rather than subordinate his principles.

The issue in the fall in Oregon will be as sharp and clear as the mountain air of our majestic State. As Secretary of the Interior, Douglas McKay helped to reverse time-honored policies of conservation which had been respected since the era of Gifford Pinchot. He surrendered to special privilege such priceless national assets as mighty hydroelectric-power sites, national forest timber, and the sanctity of wildlife and wildfowl refuges. WAYNE MORSE has steadfastly and persistently opposed these unwise relinquishments.

Mrs. Neuberger and I, who love our native Oregon, will consider it a privilege to campaign for WAYNE MORSE and in opposition to Mr. McKay. We will regard ourselves as fighting for the heritage of all Americans, now and in the future—for the resources which are the legacy of American boys and girls through all the years to come.

WAYNE MORSE is a great Senator and a great American. He puts principle first, political party second. Ideals to him are more important than political labels. In November of 1956, the people of Oregon will consider political party membership as of far less significance than the fate of fir and pine forests, of rushing mountain rivers in deep chasms, of the marshes and swamps where migratory birds nest and breed on their way along the Atlantic and Pacific flyways, of vast fish runs in swift and rampant streams.

It is a pleasure to announce that WAYNE LYMAN MORSE is the nominee of the Democratic Party of Oregon for reelection to the United States Senate in this year of 1956.

Mr. DOUGLAS. Mr. President, I wish to join the junior Senator from Oregon in expressing pleasure at the nomination of Senator MORSE for another term in the Senate from the State of Oregon. All of us value Senator MORSE very highly. I regard him as probably the most expert constitutional lawyer in the Senate, and a man who has a thorough knowledge of the Constitution, how it was drawn up, what it means, and how it should be applied in everyday life. I have learned a great deal from Senator MORSE. Perhaps one of the most important things that I have learned from him is the importance of correct legal procedure.

Those of us who are not lawyers tend to emphasize the substantive features of legislation and administrative actions, and perhaps in the past we have not paid proper attention to the necessity for correct procedures to protect individual liberties.

Senator MORSE has a thorough appreciation of the necessity for adequate procedure, both in administrative law and in civil and criminal law. This is badly needed in these days.

I believe his general thesis, that our liberties are no more secure than the procedural rights which are granted to

men and women, is fundamentally correct.

Senator MORSE, of course, is a man of great ability, tremendous energy, and indomitable courage. He is one of the most valuable men who has ever come to the United States Senate, and all of us hope to greet him upon his return here next January.

Mr. HUMPHREY. Mr. President, I wish to join with the Senator from Oregon and the Senator from Illinois in paying a well-deserved tribute and honor to Senator WAYNE MORSE on the tremendous victory that has just been his in the primary election in the State of Oregon.

As a member of the Democratic Party, I am very pleased to see Senator MORSE on the Democratic ballot as the standard bearer of the Democratic Party in Oregon for the office of United States Senator.

I have always admired Senator MORSE's political principles. I have admired and respected his unique capacity for being able to outline those political principles in terms of effective political action.

As has been noted, Senator MORSE had a resounding vote of confidence in the Democratic primary. There were those, of course, who would like to have had us believe that the Democrats of Oregon might not welcome into their ranks this able and distinguished Senator. All those doubts—and I believe they were doubts inspired by the opponents of Senator MORSE and the opponents of the Democratic Party—can now be put at rest.

The Democratic Party nationally and the Democratic Party in the State of Oregon are proud to have within their ranks one of the most able, forceful, and brilliant political spokesmen of our time. Senator MORSE is a constructive constitutional liberal. I emphasize "constitutional liberal," because, as the Senator from Illinois [Mr. DOUGLAS] has pointed out, Senator MORSE is greatly concerned, and justly so, over procedural matters in the actions of Congress and in items of legislation which are ultimately passed by Congress.

Many times I have heard Senator MORSE say that the substance of legislation is conditioned by the procedures. In other words, procedural rights guarantee substantive rights.

All of us who have served in the Senate with him have been students, in a sense, of the professor of constitutional law, and former dean of a great law school, who has been able succinctly and pointedly to demonstrate again and again the importance of fair procedure.

Senator MORSE is known as an effective speaker. But I should like to say that that quality of speech is more than just a facile tongue; it reveals an alert and imaginative and well-informed mind.

Senator MORSE is a student of government and of law. He translates that knowledge of government and of law into legislative programs and political pronouncements which relate to the welfare of the American people. He is fearless, courageous, and, above all, constructive. His service to his country is well known, both as an administrator in the Federal Government during his years of service on the War Labor Board

House of Representatives

MONDAY, MAY 21, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

Rev. Frank Freed, pastor of the West Covina Baptist Church, Los Angeles, Calif., offered the following prayer:

Shall we now pray? Our Father in heaven, we thank Thee this morning for our great Nation and for all of Thy blessings that Thou hast so abundantly poured forth upon our lives; and we come to Thee this day asking that Thou wilt specially guide these our leaders. We pray that Thou wilt guide them in every deliberation of their minds and every wisdom, and that Thou wilt guard them from any steps into any dead-end roads. We pray, our God that Thou wilt lead them according to Thy word and Thy will, and that Thou wilt continue to make our Nation that which stands forth for Thy love, and Thy peace, and Thy righteousness throughout our world.

We ask this in Jesus name and for his sake. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, May 17, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10875. An act to enact the Agricultural Act of 1956.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3254. An act to authorize the County of Custer, State of Montana, to convey certain lands to the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5862) entitled "An act to confer jurisdiction upon the United States District Courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7030) entitled "An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes."

The message also announced that the Senate insists upon its amendments to

the bill (H. R. 6143) entitled "An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 9429) entitled "An act to provide medical care for dependents of members of the uniformed services, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3073) entitled "An act to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BEALL, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

CROW INDIAN TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. HALEY] be released as a conferee on the part of the House on the joint resolution (S. J. Res. 135) providing for payment to the Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none and appoints as a conferee in his stead the gentleman from Arizona [Mr. UDALL]. The Clerk will notify the Senate accordingly.

AGRICULTURAL ACT OF 1956

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10875) to enact the Agricultural Act of 1956, with Senate amendments thereto, disagree to the amendments of the Senate and ask for a conference with the Senate.

Mr. MARTIN. Reserving the right to object Mr. Speaker, may I inquire of the gentleman from Texas when the committee is going to meet?

Mr. POAGE. This afternoon.

Mr. MARTIN. For the purpose of bringing it back fairly quickly.

Mr. POAGE. We hope we can bring it back tomorrow.

Mr. MARTIN. Might it not be possible to get action today? It seems to be a desirable bill with which all seem to be satisfied.

Mr. POAGE. I am afraid not.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COOLEY, POAGE, GRANT, HOPE, and AUGUST H. ANDRESEN.

ANSWER TO LEONARD HALL'S CLAIM ON WORKERS' PROSPERITY

(Mr. HOLLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLLAND. Mr. Speaker, for a number of weeks now, Chairman Leonard Hall, of the Republican National Committee has been trying to tell workers that the Eisenhower administration is not biased against them, and that in fact they are better off under the Eisenhower administration than they were during the Democratic administration of President Harry S. Truman.

I appreciate that the difficulty of Mr. Hall's task forces him to strain pretty hard for evidence to support his strange proposition. But I do think it necessary to call to the attention of the American people the truth about the meaningless figures and misleading terms Mr. Hall has been using.

He says, for example, that "labor's" share of the total national income amounted to a 69-percent average during the 3 years of the Eisenhower administration, compared to just a 65-percent average during the 7 years of the Truman administration. This kind of use of percentages is meaningless. Just how meaningless is shown by the fact that in 1932, at the depth of the worst depression in our history, labor's share of the national income amounted to 73 percent—4 percent more than under Eisenhower. It would have been cold comfort to the workers who stood in breadlines to have been told by politicians such as Mr. Hall that their "percentage of the national income" was so high.

Moreover, it is not "labor," as the term is generally accepted, that is receiving 69 percent. The figures Mr. Hall uses come from page 173 of the Economic Report of the President, and actually meas-

liberation of Austria and the withdrawal of Soviet troops * * * the first backward step taken by the Red Army in Europe since the end of World War II.

"It took a year of patient and delicate diplomacy to settle the Iranian oil controversy * * * that started the vital oil flowing again toward the free world and saved Iran from the imminent grip of communism. It took a year of intensive * * * negotiation to bring about a Trieste settlement, ending a dangerous dispute between Italy and Yugoslavia that had persisted for many years."

The Secretary could have noted that a career diplomat, now regrettably retired from the service, did the spadework and laid the base on which the Austrian Treaty was placed. This was Samuel Reber. To the Iranian settlement the contributions of Loy Henderson and Herbert Hoover, Jr., now Deputy Under Secretary and Under Secretary of State, respectively, were invaluable. In the solution at Trieste Llewellyn E. Thompson, Jr., now Ambassador to Austria, played a major part. But their staffs from the Department's rank and file were also indispensable to these diplomatic strokes.

INDOCHINA SALVAGE CORPS

Dulles again did not elaborate when he told the subcommittee that "only a remarkable contribution by our foreign missions over the past 2 years helped to prevent the French military defeat at Dienbienphu in 1954 from involving the loss of all Indochina to militant communism." But the roster is long, and few would have recognized most of the names upon it.

"I have been associated in my life with a good many business enterprises," he added, "but I have never known one where there was

the sustained intensity of work I have found in the Department * * * and in the Foreign Service." It was a good word, very much in season.

The Secretary had a purpose, of course, beyond the desire to give credit where credit is due. He wants Congress to restore the cuts it tentatively has made in the State Department's budget, and he specified subnormal living and working conditions, an inadequate staff and niggardly expense allowances to meet the expanded diplomatic activity the world situation requires. But though his tribute to the diplomatic personnel occurred in this practical context, that does not impugn its accuracy or detract from its value as a corrective of an unfair public impression, unfairly stimulated.

LEGISLATIVE PROGRAM

Mr. BIBLE. Mr. President, I do not know whether there are any Senators who care to have the floor. If not, I wish to state that I shall shortly move that the Senate stand in recess.

Tomorrow the Senate will continue consideration of the civil service retirement bill, and will remain in session until voting is completed on the bill.

As soon as that bill is disposed of, the Senate will then take up the agricultural appropriation bill, and later in the week the Housing Act, and other appropriation bills, as they come to the floor.

Mr. President, before I make the motion for a recess I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

RECESS

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 22, 1956, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 21 (legislative day of May 7), 1956:

SUBVERSIVE ACTIVITIES CONTROL BOARD

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1959.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 21 (legislative day of May 7), 1956:

POSTMASTER

ILLINOIS

Fred A. Lemm to be postmaster at Schiller Park, in the State of Illinois.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

May 23, 1956
May 22, 1956
84th-2nd, No. 84

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HIGHLIGHTS: Senate agreed to conference report on farm bill. House received conference report on farm bill. Senate passed USDA appropriation bill. Conferees were appointed. Senate debated Johnston retirement bill. Sen. Case commended accomplishments and progress of REA. House passed public works appropriation bill.

SENATE

1. FARM PROGRAM. Agreed to the conference report on H. R. 10875, the farm bill. p. 7803 Attached to this Digest is a summary of the bill as agreed to.
2. APPROPRIATIONS. Passed with amendments H. R. 11177, the USDA appropriation bill. pp. 7783, 7797

Agreed to the following amendments:

By Sen. Holland (joined by Sen. Smathers) to increase the appropriation for "Plant and Animal Disease and Pest Control," ARS, by \$1,500,000 for the eradication of the Mediterranean fruit fly, of which \$1,250,000 would be immediately available. p. 7797

By Sen. Knowland, to increase the appropriation for ARS research by \$60,000 for the development of mechanical prune pickers. p. 7801

By Sen. Humphrey (joined by Sen. Young), to increase the amount for electrification loans by \$68,700,000 with elimination of the reserve authorization in the same amount, which would provide a total direct loan authorization of \$214,000,000. This amendment also increases the telephone loan authorization by \$50,500,000 with elimination of the reserve authorization of that amount, which would provide a total for direct telephone loans of \$100,000,000. p. 7788

The following amendments were discussed and withdrawn:

By Sen. Aiken, to increase the appropriation for the Office of the Secretary by \$10,500. p. 7801

By Sen. Thye, to provide an appropriation of \$18,915,000 for construction of an animal disease laboratory at some location other than Beltsville, Md. p. 7786

The Appropriations Committee reported with amendments H. R. 10721, the State-Justice appropriation bill (S. Rept. 2034). p. 7769

The Appropriations Subcommittees ordered reported with amendments to the full Committee H. R. 10899, the Commerce appropriation bill, and H. R. 9739, the independent offices appropriation bill. p. D511

3. PERSONNEL. Continued debate on S. 2875, the Johnston retirement bill. pp. 7781, 7819

The Post Office and Civil Service Committee reported without amendment H. R. 3255, to preserve in certain cases the rates of pay of employees whose positions are reclassified to a lower grade (S. Rept. 2035). p. 7771

4. ELECTRIFICATION. Sen. Case commended the accomplishments and progress of REA, and the comforts it had brought to farm families. p. 7774

5. FOREIGN TRADE. Received from the Commerce Department a report on export control for the first quarter of 1956. p. 7771

Received from the Tariff Commission a proposed bill to provide additional time for the Tariff Commission to review the customs tariff schedules; to Finance Committee. p. 7771

6. FAIRS. Sen. Wiley inserted his statement on fairs and the part they have played in rural life. p. 7772

7. REPORTS. Sen. Smith, N. J., spoke of the Hoover Commission recommendation for agencies to "give increased emphasis in their reports program to the need to protect the public from unnecessary reporting burdens" and inserted a White House statement and a letter from the President to the Budget Bureau supporting this recommendation. p. 7774

8. PARITY PRICES. Sen. Kerr spoke on and inserted statements and figures to support his statement during the debate on the farm bill that farm products generally are being sold by farmers on an average of not to exceed 70% of parity; Sen. Capehart disputed these figures and inserted figures from this Department to support his position. p. 7790

9. SUGAR. Sen. Lehman inserted his statement contending that there were inequities in the conference report on H. R. 7030, particularly as it relates to Puerto Rico and the Philippines. p. 7781

HOUSE

10. FARM PROGRAM. Received the conference report on H. R. 10875, the farm bill (H. Rept. 2197). pp. 7825, 7827

11. APPROPRIATIONS. Passed with amendments H. R. 11319, the public works appropriation bill for 1957, including TVA, certain agencies of the Interior Department, and civil functions of the Army (p. 7827). Amendments adopted included an amendment by Rep. Abernethy to provide \$160,000 for a resurvey of the Tenn.-Tombigbee Waterway by a vote of 179 to 170 (pp. 7860, 7878); an amendment by Rep. Boggs to provide \$300,000 for planning of the Mississippi-Gulf outlet

OUTLINE - AGRICULTURAL ACT OF 1956

TITLE I - SOIL BANK ACT

Acreage Reserve Program. (Sec. 103-106) Duration of program: 1956, 1957, 1958, and 1959. Payments authorized for reducing production of wheat, cotton, corn, peanuts, rice and tobacco. Program is voluntary, except participation in soil bank required for price support for corn. To be eligible producer must reduce below his farm acreage allotment or base acreage established for corn. In case of corn the total base will be 51,000,000 acres for 1956, and also for subsequent years if farmers in referendum vote to discontinue acreage allotments and 75% to 90% price supports, otherwise, acreage allotments after 1957 will be established on old basis. Overall limit on program \$750,000,000 per year, with specified maximum limits for each commodity. With respect to applicability of acreage reserve program to 1956, the Conference Report is to contain the following statement:

The Conference agreed to make the soil bank effective immediately as provided in the House bill. It was recognized, however, the larger part of this year's plantings have already taken place and is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The Committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for in the soil bank in 1956 but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

Conservation Reserve Program. (Sec. 107-113) Secretary is authorized to enter into contracts with producers for a minimum period of 3 years and a maximum period of 10 years (15 years in the case of tree cover) under which the producer would devote a designated part of his cropland to conserving uses. He would agree not to harvest any crop from the designated acreage and not to pasture it for a specified period except under certain emergency conditions. The Secretary would be authorized to pay a fair share of the costs of establishing the conservation use and, in addition, to make an annual payment to the producer which will provide a fair and reasonable annual return for the land diverted to conservation uses. Overall limit on program of \$450,000,000 a year.

General Soil Bank Provisions. (Sec. 115-124) As a condition of eligibility for any payment under soil bank program, the producer must comply with all acreage allotments or base acreages. Civil penalties imposed for violation of prohibition against cropping or grazing.

Funds of CCC may be used for carrying out program until July 1, 1957.

Production on Government Lands. President is directed insofar as practicable to prohibit leasing of Government-owned lands for the production of price supported crops in surplus supply.

TITLE II - SURPLUS DISPOSAL

Program of Orderly Liquidation. (Sec. 201) Secretary required to submit to Congress in 90 days detailed program (1) for disposal of all CCC stocks (2) for a food stamp or similar plan, and (3) for strategic stockpiling of agricultural products.

Extra Long Staple Cotton. (Sec. 202) Cotton having staple length of 1-11/16" or longer would be included within import quota under Section 22. CCC directed to sell for export at competitive world prices existing CCC stocks of extra long staple cotton.

Export Sales of Cotton. (Sec. 203) CCC is directed to sell cotton at prices at which cottons of comparable qualities are being offered in substantial quantities. In any event during the 1956 marketing year bids shall be accepted at a level comparable to the 25.5 cents level at which cotton was sold under the CCC sales program announced August 12, 1955. CCC may accept bids in excess of this price but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton.

Agreements Limiting Imports. (Sec. 204) President authorized to negotiate agreements with foreign Governments limiting exports to U.S. of agricultural commodities or products.

Section 32. (Sec. 205) Authorizes annual appropriation of \$500 million for Section 32, with limitation of 50% on amount of such funds which may be used for any one commodity.

Transfer of Bartered Materials to Supplemental Stockpile. (Sec. 206) Provides for transfer to supplemental stockpile established by P.L. 480 of materials acquired by CCC under barter program unless such materials were acquired for regular stockpile or other purposes.

Surplus Disposal Administrator. (Sec. 207) Authorizes Secretary to appoint Agricultural Surplus Disposal Administrator.

Ocean Freight on Commodities Donated for Foreign Relief. (Sec. 208) Authorizes payment of ocean freight charges on commodities donated for foreign relief under P.L. 480 or Section 416. Limitation on expenditures for foreign relief increased from \$300 million to \$500 million.

Commission on Industrial Use of Agricultural Commodities. (Sec. 209) Five-member bi-partisan commission, to be appointed by President, established to make recommendations for increased industrial use of agricultural commodities.

Donations to Penal Institutions. (Sec. 210) Authorizes CCC to donate commodities to Federal penal and correctional institutions, and to State correctional institutions for minors.

Federal Irrigation, Drainage, and Flood Control Projects. (Sec. 211) Federal farm benefits restricted for 3 years after the enactment of the act for crops in surplus grown on any newly irrigated or drained lands within any Federal project authorized hereafter for crops in surplus grown on such lands.

Processing of Donated Commodities. (Sec. 212) Authorizes CCC to pay processing costs on donated food commodities.

TITLE III - MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment. (Sec. 301) Extends to 1956 and 1957 crops of wheat provisions whereby wheat producers could release unused portion of allotment, without affecting their future allotment.

Cotton Acreage Allotments for 1957 and 1958. (Sec. 302) National acreage allotment for cotton for 1957 and 1958 shall not be less than 1956 national acreage allotment, provided that the allotment for no state can be reduced in 1957 or 1958 below the allotment for the preceding year by more than 1 percent, the additional acreage required for this purpose to be in addition to the national allotment.

Small Farm Allotments for Cotton. (Sec. 303) For 1957 and 1958 provides 100,000 acres to establish minimum farm allotments for cotton of 4 acres or highest acreage planted on farm in preceding 3 years, whichever is smaller. For 1956 unused allotted acreage in state may be used for this purpose.

Minimum Allotments for 1956 Rice Crop. (Sec. 304) Provides minimum state rice acreage allotments for 1956 equal to 85% of allotment for 1955. The 1957 and 1958 allotments will be the same as the final 1956 allotments.

Increase in Peanut Marketing Penalties. (Sec. 305) Increases marketing penalty for peanuts from 50% to 75% of support price.

Collection of Peanut Marketing Penalties. (Sec. 306) Provides for 6% interest on peanut marketing penalties and for a lien to secure the penalties.

Preservation of Unused Acreage Allotments. (Sec. 307) During the period 1956 to 1959 permits producer to preserve for future years his unused acreage allotments.

Acreage Requirements for Price Support on Corn and Other Feed Grains.
(Sec. 308)

A. Corn for 1956. For 1956, the level of price support for corn in the commercial area would not be affected by the legislation - \$1.50 to compliers; \$1.25 to non-compliers.

To be eligible for the \$1.50 support price announced for compliers, the producer would have to stay within his base acreage and devote to the soil bank an acreage of land equal to 15% of his corn base.

The Secretary would, however, have the authority to support the price of corn to producers who do not meet the foregoing requirements, at a level not in excess of the level of price support to producers who meet such requirements.

Corn outside the commercial area would be supported at 82 1/2 percent of the level in the commercial area, with no acreage limitations.

B. Corn after 1956. After 1956, price support for corn in the commercial area would depend on the outcome of a referendum to determine whether producers favor base acreages in lieu of acreage allotments, with price support "at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn", or whether producers favor acreage allotments, with price support at 75% to 90% of parity.

If producers vote in favor of base acreages instead of acreage allotments, producers would be required as a condition of eligibility for price support to stay within their base acreages and devote 15% of their corn base to the soil bank; support in the non-commercial area would be at 82 1/2% of the level for corn in the commercial area.

If producers vote in favor of acreage allotments, acreage allotments would be in effect for purposes of the acreage reserve program, and producers would have to comply with acreage allotments as a condition of eligibility for price support but would not have to participate in the soil bank.

The Secretary would have authority to make price support available to non-compliers in the commercial area.

C. Feed Grains for 1956. The level of price support for the 1956 crop of grain sorghums, barley, rye, and oats would be 76 percent of parity, with no acreage limitations.

D. Price Support on non-compliance Corn and Other Feed Grains. If support is made available in 1957 for non-compliance corn, price support would be made available for other feed grains at such levels not less than 70% of parity, as the Secretary determines to be reasonable in relation to the level of support for non-compliance corn, and after consideration of specified factors.

The Acreage Reserve Program for feed grains is eliminated.

TITLE IV - FORESTRY PROVISIONS

Assistance to States. (Sec. 401) Provides for assistance to States for tree planting and reforestation.

Forest Products, Price Reporting Research. (Sec. 402) Requires Secretary to study price trends and relationships for forest products and make a report thereon to the Congress within one year.

TITLE V - CERTIFICATE PROGRAM FOR RICE

Provides discretionary authority for a two-price plan for rice in 1957 and 1958 or in 1958 and 1959 if the Secretary determines it to be feasible and in the best interests of rice producers and the United States.

TITLE VI - PRICE SUPPORTS - COTTON SEED AND SOYBEANS

(Sec. 601) Whenever either cottonseed or soybeans is supported the support price for the other shall be supported at levels enabling them to compete on equal terms.

Transitional Parity for Basic Commodities Frozen During 1957. (Sec. 602) This freezes transitional parity for corn, peanuts and wheat during 1957. The Secretary is required to make a thorough study of possible methods of improving the parity formula and report to Congress not later than January 31, 1957.

AGRICULTURAL ACT OF 1956

MAY 22, 1956.—Ordered to be printed

Mr. COOLEY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 10875]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 5, 11, 36, 46, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 50, and 51; and agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

On page 8, line 10, of the Senate engrossed amendments strike out "April 15" and insert in lieu thereof *May 1*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

STUDY OF PRICE TRENDS FOR FOREST PRODUCTS

SEC. 402. The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within one year from the date of enactment of this Act shall submit a report thereon to the Congress

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,

Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
JAMES O. EASTLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1946, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate made 51 amendments to the House bill. Of these, two-thirds were merely clarifying or technical in nature and were generally accepted by the committee of conference. Following are the substantive differences between the bill passed by the House and that agreed to by the conferees and reported herewith:

THE SOIL-BANK PROGRAM

Deleted from the bill are two provisions relating to the soil bank which were written into the bill on the House floor: The Albert amendment, requiring the Secretary to establish an acreage reserve program for grazing lands, and the McIntire amendment, requiring the establishment of an acreage reserve program for "other field crops." Also deleted is the provision requiring the Secretary to establish an acreage reserve program for grains and the extensive program worked out by the House committee for establishing a base acreage for feed grains and encouraging, by means of incentive price supports, a reduction of at least 15 percent in the production of feed grains. The total annual authorization for the acreage reserve program was reduced from \$800 million to \$750 million in conformity with the elimination of the programs just referred to.

In connection with the elimination of the feed grain part of the acreage reserve program, the House conferees agreed to the elimination of this provision chiefly because of a showing that data with respect to feed grain acreage and production on individual farms is not as available as data with respect to other crops included in the acreage reserve and that, therefore, it would have been difficult, if not impossible, at this late date, to set up an adequate acreage reserve program for feed grains for 1956. The action was taken, however, with the assurance that if the experience gained in operation of the soil bank during the coming year should appear to make it more practicable to establish an acreage reserve program for feed grains effective in 1957 or 1958, sympathetic consideration will be given to such legislation at both ends of the Capitol.

No other changes of consequence were made in the soil bank portion of the bill. A Senate amendment emphasizing that the grazing of conservation reserve land is a violation of contract appears merely to underline similar provisions already in both the acreage reserve and the conservation reserve portions of the bill.

A major provision, dealing with the start of the soil bank program, was resolved in favor of the House bill. The House bill directed that the soil bank be started with 1956 crops. The Senate bill directed only that the Secretary start the program with the 1956 crop "to the

extent he deems practicable." This language, together with the known position of the Secretary of Agriculture on this matter, led to the general assumption that under the Senate provision there would be no serious effort to get the soil bank program under way for 1956 crops.

The conferees accepted the House language with respect to this matter, agreeing to make the soil bank effective immediately, as provided in the House bill. It was recognized, however, that the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

PRODUCTION ON GOVERNMENT-OWNED LANDS

As reported from the Committee on Agriculture, this section (sec. 125) directed the President to restrict insofar as practicable the leasing of Government lands for the production of price-supported crops in surplus supply. It was amended on the House floor to apply to "agricultural commodities" instead of "price-supported crops" and the Senate amendment, adopted by the conferees, returns to the original language of the House committee. The Senate also added an amendment making it clear that the section should not prevent programs designed to provide food for water fowl on wildlife refuges, and similar activities.

EXPORT SALES PROGRAM FOR COTTON

The conferees have accepted Senate amendment No. 26, adding section 203 to the bill. This section directs the CCC to use its existing powers and authorities to encourage the exportation of cotton by offering to make it available at prices based on sales under the so-called million-bale program (announced August 12, 1955), and even lower if necessary, in order to be competitive with foreign countries exporting cotton in substantial quantities. The principal difference in the program required by this provision as contrasted with the million-bale program and the program now in effect (announced on February 28, 1956) will be in the price level at which bids are accepted.

This provision directs that such quantities of cotton be offered and sold as will reestablish and maintain the fair historical share of the world market for United States cotton, the quantity to be determined by the Secretary of Agriculture. The Secretary has indicated that he considers 5 million bales to be the fair historical share based on the present level of world trade in cotton. This committee believes this to be reasonable in view of the history of United States exports.

It is hoped that the Secretary can regain the historical American share of the world market without unnecessarily lowering the level of world prices for cotton, and it is not intended that he shall be required to drastically reduce the price of cotton far below the level of prices received at the sale announced August 12, 1955. On the other hand it is intended that he shall have ample authority to reduce prices to whatever level he finds necessary to accomplish this result.

Conference Report, May 22, 1956

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

Section 302 of the House bill provided that the national acreage allotment for cotton should not be smaller in 1957 and 1958 than it is for 1956. Amendment No. 37 of the Senate provides additionally that the State allotment for any State in 1957 and 1958 shall not be reduced more than 1 percent per year. Additional acreage allotment received by States for 1957 and 1958 under this section shall not be taken into account in establishing future State acreage allotments. In determining 1957 and 1958 State history of cotton plantings for purposes of future State allotments such acreage history could not exceed the State acreage allotment for such years less the acreage received by the State under sections 302 and 303 (a).

LOANS ON SPOTTED COTTON

In considering the cotton provisions of the bill, the committee discussed the matter of loans on spotted cotton. It is aware that the CCC has refused in the past to reflect in its loan programs the normal trade differential between light and heavy spotted cotton, although the Secretary has complete authority to establish such differentials in the loan program. The committee has proposed no legislation on this matter because it assumes that the CCC will exercise its existing authority in future cotton loan programs and establish a proper differential between light and heavy spotted cotton. It is the desire and intent of the committee that this be done.

MINIMUM ACREAGE ALLOTMENTS FOR RICE

Section 304 of the House bill provided that the State acreage allotments for rice for 1956 should not be less than 85 percent of the final State allotment for 1955. Amendment No. 44 of the Senate provides that the national acreage allotments of rice for 1957 and 1958 shall not be less than the final national allotment for 1956 and shall be apportioned among the States in the same manner as the 1956 final allotment.

PRICE SUPPORTS FOR FEED GRAINS

The House bill contained a provision (sec. 308 (b)) making an increased level of price support available to feed grain producers in return for a 15 percent reduction in feed grain acreage. The conference has accepted the Senate amendment which strikes out the House provision and substitutes a subsection containing the following provisions:

(a) Support of the 1956 crop of grain sorghums, barley, rye, and oats at 76 percent of parity as of May 1;

(b) Support (in any year in which base acreages are applicable for corn) for corn in the noncommercial area at 82½ percent of the level applicable in the commercial area; and

(c) Support for the 1957 crop of grain sorghums, barley, rye, oats, and corn outside the commercial area at not less than 70 percent of parity as of the beginning of the marketing year, if price support is made available to corn producers not complying with acreage and soil bank participation requirements. Support for feed grains would not be dependent in either 1956 or 1957 upon compliance with acreage or soil bank participation requirements, or upon whether there is an acreage reserve program for corn.

WHEAT

The conferees eliminated from the bill two major amendments of the Senate—amendment No. 36, authorizing the sale of not to exceed 100 million bushels of wheat annually for feeding purposes, and amendment No. 48, authorizing production without regard to quota of wheat to be used by the producer on his farm for feed or seed.

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

The conferees accepted Senate amendment No. 49 with an amendment which eliminates from the section everything relating to price reporting and research and preserves only subsection (d) of the Senate amendment requiring the Secretary of Agriculture to make a study of price trends and relationships for basic forest products and submit a report thereon within 1 year from the date of enactment of this act.

CERTIFICATE PROGRAM FOR RICE

The conferees accepted the Senate amendment providing a certificate program for rice (amendment No. 50, title V of the conference bill). This program is identical with that which was included in the final version of H. R. 12 except that inauguration of the program is discretionary with the Secretary of Agriculture and will not be put into effect unless he "determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers in the United States." Included in this amendment is a new definition of "normal yield" for rice which is also identical with a similar provision in H. R. 12.

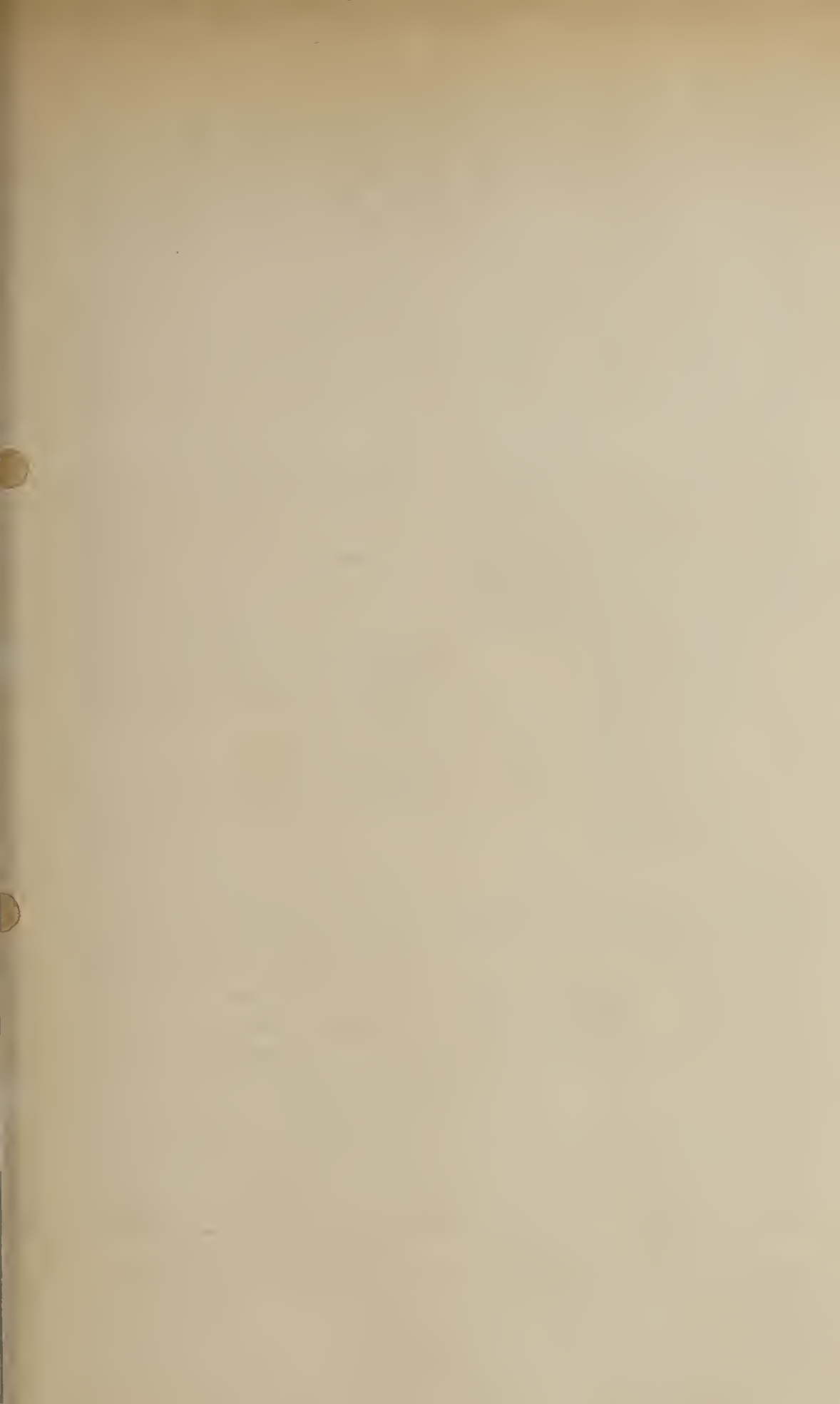
PRICE SUPPORT FOR COTTONSEED AND SOYBEANS

The conferees accepted a provision (amendment No. 51), identical with a similar provision in H. R. 12, which will require that whenever the price of either cottonseed or soybeans is supported, the price of the other shall be supported at a level which will cause them to compete on equal terms in the market.

TRANSITIONAL PARITY

The conferees accepted a provision (sec. 602) which will freeze "transitional parity" for the basic commodities for 1957. This will mean that the parity price of corn, wheat, and peanuts (the only three basic commodities currently affected by the transitional parity formula) will be 5 percent higher in 1957 than they would otherwise have been. The amendment also requires the Secretary of Agriculture to "make a thorough study of possible methods of improving the parity formula" and to report to Congress thereon not later than January 31, 1957, and include drafts of any legislation needed to carry out his recommendations.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.



UTILIZATION OF OTHER AGENCIES

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 11177) was read the third time and passed.

Mr. RUSSELL. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG, Mr. MCCARTHY, and Mr. MUNDT conferees on the part of the Senate.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Tribbe, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. LAIRD in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Frederick G. Hamley, of Washington, to be United States circuit judge, ninth circuit, vice Homer T. Bone, retired, which was referred to the Committee on the Judiciary.

AGRICULTURAL ACT OF 1956—
CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956,

having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 5, 11, 36, 46, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 50, and 51; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: On page 8, line 10, of the Senate engrossed amendments strike out "April 15" and insert in lieu thereof "May 1"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"STUDY OF PRICE TRENDS FOR FOREST PRODUCTS

"SEC. 402. The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within one year from the date of enactment of this Act shall submit a report thereon to the Congress."

And the Senate agree to the same.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
JAMES O. EASTLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,

Managers on the Part of the Senate.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield so that I may suggest the absence of a quorum?

Mr. ELLENDER. I yield for that purpose.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, I am very much pleased to state that the conferees on H. R. 10875 met yesterday afternoon and this morning and unanimously agreed to the report just read by the clerk. I shall not go into details about the report, but shall merely give a summary of the report's provisions.

First, the acreage reserve program would become effective in 1956. The Senate amendment, which had provided for a 1956 program to the extent deemed practicable by the Secretary, was rejected by the House, and the Senate receded from its amendments in this respect. In connection with this amendment, it was agreed that the House would have in its report the following statement:

The conference agreed to make the soil bank effective immediately as provided in the House bill. It was recognized, however, the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

I understand that the distinguished Senator from Vermont has received from the Secretary of Agriculture a letter which he wishes to place at this point in the RECORD.

Mr. AIKEN. That is correct. I ask unanimous consent, Mr. President, that the letter may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C.

HON. GEORGE D. AIKEN,
Senate Committee on Agriculture and Forestry, United States Senate.

DEAR GEORGE: This is in response to your request for my comments on the possibility of getting a soil bank into operation on the 1956 crops.

H. R. 10875 contains the following language in section 103: " * * * the Secretary of Agriculture * * * is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops * * * "

Section 103 further provides that "Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary."

It is now the second week of May. Wheat will soon be ready for harvest in the Southern Great Plains. Winter oats and barley in the southern half of the country will soon be ripening. Much of the cotton is planted. Spring grains are mostly seeded. Corn is being planted. By the end of May, 1956 plantings will be virtually completed.

I would not be discharging my responsibility if I failed to point out the grave difficulties associated with trying, at this late date, to get a soil bank operating on 1956 spring seeded crops.

Inclusion of feed grains in the acreage reserve requires the establishment of base acreages for these crops: oats, rye, barley, grain sorghum, and corn in the noncommercial area. This means the assembling of data and the determination of bases on 100 million acres. We presently operate programs on 170 million acres. This provision would require an expansion of almost 60 percent in the scope of our operations. It would be necessary for local committeemen to establish for every farm a normal yield for every crop in the acreage reserve. In order to be equitable, one farm with another and one area with another, these yields would have to weight out to county check yields.

Even though we would do our utmost, we could not have this tremendous task accom-

plished, together with the necessary writing of contracts and checking of compliance, prior to the harvest date for many of these feed crops.

We have gone as far as we could go in making ready for the administration of this program, taking into account the many uncertainties as to its eventual form. But obviously we cannot write procedures before the law is passed, and questions of major importance regarding the legislation are still being debated.

Some may contend that we should omit the established procedure of determining bases and proceed on the basis of unverified data. Our experience is that unless historical data are used, the reported acreage figures may be in error by as much as 30 or 40 percent.

To launch a program like the soil bank at this late date, for 1956 spring seeded crops, with inadequate data and hastily developed administrative machinery, would have these adverse effects:

1. Participation would be low. Farmers, with their crops already planted and with their investment already made in seed, fertilizer, and labor, would be reluctant to enter the program.

2. The intended reduction in production would not be accomplished. Since participation would be low and since the farmers most likely to come into the program would be those whose crops were likely to turn out below average in yield, the intended purpose of the program—reduction of surpluses—would not be satisfactorily achieved.

3. Costs would be excessive. The inducement necessary to cause a farmer to enter the program would be greater after he has made his outlay of money for production expenses than it would be if contracts could be made before planting.

4. It would be difficult to make the program properly effective in later years. If the program is launched hastily, precedents are established which prevent proper administration for the following years.

5. The program would be discredited in the minds of farmers and the public generally. The soil bank has much promise if it can be properly operated. If, in the first year of its operation, farmers do not participate fully and the program is demonstrably ineffective and expensive, then the program may be erroneously judged a failure. This would be especially true if it becomes a plow-up program. This program should be given a fair chance to operate.

On several occasions, the critical time element in this program has been referred to.

In his discussion before the Senate committee on February 6, Under Secretary Morse submitted a summary which contained this statement: "If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1956." This statement was made with respect to the program recommended by the administration, which embodied an acreage reserve program intended to apply only to wheat, corn, cotton, and rice. Since then the program has been made more complex and has been extended to feed grains, tobacco, and peanuts, thereby adding substantially to the workload. Grazing lands are added in the House bill.

In his April 16 message regarding his action on H. R. 12, the President said: "The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops."

In my appearance before the Senate Committee on Agriculture on April 19 I said: "Farmers should know as promptly as possible the terms of the acreage reserve so as to plan for fall crops. Plowing will be underway within 90 days—then comes liming, fertilizing, and seeding in rapid succession."

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped

far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeding crops, it is recommended that this bill be amended so that the soil bank program will commence with the crops planted in the fall of 1956.¹

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

Mr. ELLENDER. Mr. President, the second agreement reached was on the Senate amendments which eliminated the acreage-reserve programs for corn outside the commercial area, grain sorghums, barley, rye, oats, field crops to be designated by the Secretary, and grazing lands. No acreage allotments are in effect for any of these commodities, or for grazing lands, so that acreage-reserve programs for them would have caused serious administrative problems, particularly in 1956. Consistent with this agreement, the conferees agreed to leave the overall limit on the acreage-reserve program at \$750 million, as provided by the Senate amendments.

Third, the feed-grain provisions of the Senate amendments were adopted with one minor technical change. The 1956 support prices would be fixed on the basis of the May 1 parity price instead of the April 15 parity price. This was the original intention of the amendment, and the change was designed to make that purpose clear. As amended by the Senate and agreed to by the conferees, the bill provides for (A) support of the 1956 crop of grain sorghums, barley, rye, and oats at 76 percent of parity as of May 1, (B) support—in any year in which base acreages are applicable for corn—for corn in the noncommercial area at 82½ percent of the level applicable in the commercial area, and (C) support for the 1957 crop of grain sorghums, barley, rye, oats, and corn outside the commercial area at not less than 70 percent of parity as of the beginning of the marketing year, if price support is made available to corn producers not complying with acreage and soil-bank participation requirements. Support for feed grains would not be dependent in either 1956 or 1957 upon compliance with acreage or soil bank participation requirements, or upon whether there is an acreage-reserve program for corn.

In other words, what the conference did was to adopt the so-called Holland amendment, with one exception, in that we changed the date from April 15 to May 1.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. The minor change just mentioned by the distinguished chairman of the Committee on Agriculture and Forestry, who was also chairman of the conference committee, came about in this way: The data is to be brought together as of the 15th of the month. But the figure compiled and based upon that data will govern the next calendar month, which in this case would be the month of May, or the month beginning May 1. So the change is, as

described by the distinguished Senator from Louisiana, a purely technical one, and not one of meaning in any way.

Mr. ELLENDER. Fourth, the Senate amendment assuring that a base acreage of 51 million acres would be established for corn for 1956 was agreed to and remains in the bill.

Fifth, the Senate amendment imposing price support forfeiture as an additional penalty for grazing lands in the acreage reserve—that was the so-called O'Mahoney amendment—was rejected, the conferees being of the opinion that adequate penalties were provided by sections 103 (a) (i), 103 (a) (ii), and 123. The Senate amendment specifically including the prohibition of grazing on conservation acreages in section 107 (a) (6) (A)—that was the second O'Mahoney amendment—was agreed to. That prohibition would have been covered by that section whether the additional language had been inserted or not. The specific inclusion of that language in section 107 (a) (6) (A) should not be taken to indicate in any way that the violation of grazing prohibitions are not included in other penalty provisions of the bill just because they are not specifically mentioned in those provisions.

It will be recalled that when the first bill was considered by the conferees, we struck from the bill the amendments introduced by the Senator from Wyoming [Mr. O'MAHONEY] and several other western Senators. There was a provision in the original bill which was vetoed by the President, that would have imposed an additional penalty for violation of grazing rights equal to 50 percent of a year's acreage reserve compensation. That provision was retained in the bill. It appears now in section 123 as it was in the original bill.

Sixth, the Senate amendments which made the prohibition of section 125 on the leasing of lands for agricultural production applicable to "price supported crops" instead of "agricultural commodities," and which specifically exempted wildlife refuges in certain cases, were adopted. The first of these amendments made it clear that grazing lands were not covered by section 125.

Seventh, the Senate amendment providing for the sale by Commodity Credit Corporation of cotton, for export, at world prices or, during the 1956 marketing year, at the minimum prices accepted under the August 12, 1955 program, was agreed to.

The conferees agreed to the following language to be inserted in the report to be submitted by the House:

Section 203 directs the CCC to use its existing powers and authorities to encourage the exportation of cotton by offering to make it available at prices based on sales under the so-called million-bale program (announced August 12, 1955), and even lower if necessary, in order to be competitive with foreign countries exporting cotton in substantial quantities. The principal difference in the program required by this provision as contrasted with the million-bale program and the program now in effect (announced on February 28, 1956) will be in the price level at which bids are accepted.

This provision directs that such quantities of cotton be offered and sold as will reestablish and maintain the fair historical share of

the world market for United States cotton, the quantity to be determined by the Secretary of Agriculture. The Secretary has indicated that he considers 5 million bales to be the fair historical share based on the present level of world trade in cotton. This committee believes this to be reasonable in view of the history of United States exports.

It is hoped that the Secretary can regain the historical American share of the world market without unnecessarily lowering the level of world prices for cotton, and it is not intended that he shall be required to drastically reduce the price of cotton far below the level of prices received at the sale announced August 12, 1955. On the other hand it is intended that he shall have ample authority to reduce prices to whatever level he finds necessary to accomplish this result.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, the committee of conference accepted section 203 of the farm bill, H. R. 10875, in the form added by the Senate. As indicated in the conference report and statement of managers on the part of the House, the committee of conference was in complete agreement as to the intent and purpose of this section. The legislative history as developed in the Senate and the statement contained in the conference report clearly expresses the intent of the legislation.

Mr. ELLENDER. Eighth, the Senate amendments providing for the sale of 100 million bushels of wheat annually for feed at feed prices, and exempting wheat grown for feed or seed on the farm where produced from marketing penalties, were rejected by the House and omitted from the bill.

Ninth, the Senate amendments providing for minimum National and State cotton and rice acreage allotments for 1957 and 1958 were agreed to.

Tenth, except for subsection (d), the section added by the Senate to provide for forest products price reporting and research was rejected. Subsection (d), which remains in the bill, provides for a study of price trends and relationships for basic forest products. The conferees also agreed to an amendment to this subsection to require the Secretary to report on his study within 1 year after the enactment of this bill, instead of 2 years.

I wish to say to my good friend, the Senator from Minnesota [Mr. HUMPHREY], the conferees on the part of the Senate did their best to retain his provision. I brought it to the attention of the chairman of the Committee on Agriculture of the House, Mr. COOLEY, who had indicated he no longer had any objection to the amendment. Unfortunately, Mr. COOLEY stated to the conferees he had received many objections to it, and that the House conferees could not agree to the amendment in full, but agreed to retain subsection (d).

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. First of all, I wish to thank the chairman of the committee for his diligence in this matter. I regret exceedingly that the full text of that section of the bill was not in-

cluded in the final conference report. I am grateful for the tidbits of accomplishments of progress. I realize that the importance of the study has been recognized, and that the time for reporting has been reduced from a 2-year period to a 1-year period, which would give us a great deal of factual information that would be of vital help and important assistance, not only to Congress, but to the timber farmers.

I think it ought to be noted that the main opposition, insofar as the junior Senator from Minnesota knows, to the so-called price reporting section on timber, comes from the Lumbermen's Manufacturers Association, from the large manufacturers or processors of timber products, and from the large owners of forest lands and purchasers of timber from the small timber farmers. For the life of me, I cannot understand this opposition except on the basis that some persons like to have an opportunity to purchase in a market which was beclouded by a lack of information.

Mr. President, I shall be very persistent. I intend to ask the committee to process the amendment in terms of a bill. There are more and more timber farmers all over the United States, and they are growing an important part of our agricultural production. I want the RECORD to be clear that they are the only producers of food and fiber in the United States of America who are today excluded from the price reporting services of the Department of Agriculture. They are set apart by exclusion, and it appears to me we are confronted by a powerful lobby on the part of the large timber barons. I shall call them that because I know of them in my State. They have taken out the best timber in Minnesota, and in many other States they have taken out the best timber.

I regret that we have had to lose this amendment. But again I wish to commend the Senate conferees. I know they supported me in the committee and I know they supported the proposal here on the floor. I am very grateful for what they have done.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I also wish to refer to what the committee did regarding this matter. I endorse every word our chairman has said. The Senate conferees urged the inclusion of this amendment, and tried their best to have it included. We ran against a solid brick wall, so far as the House conferees were concerned. They would not yield on this point.

This matter was one of the very last ones we had to handle in the conference. I was the one who offered the compromise, in an effort to get the House conferees at least to agree to such reporting 1 year from now; and finally they agreed to that.

I wish to say, further, that they argued with us that at the present time the Department has a right to have these reports made. However, they are not being made at the present time.

Mr. HUMPHREY. Mr. President, at this point will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. First, Mr. President, I wish to thank the Senator from South Carolina [Mr. JOHNSTON], who has been exceedingly helpful all the way along in connection with this agricultural program, and has been very helpful to me, personally. So I am duly grateful.

It is true that the Department could do this reporting. In view of the fact that twice the Senate has voted in favor of such a provision, I hope the Department will proceed to do the reporting.

A few minutes ago the Senate passed the agricultural appropriation bill, which carries ample funds for this service. In fact, if the Department wishes to do so, it can transfer some of the funds from its propaganda branch—which, believe me, has been overloaded with funds—to this informational work for the benefit of the farmers. I think that would help.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, it will also be found that the Department opposed this amendment, as other Senators know. I cannot understand why the Department opposed it, for in the next breath the Department does not deny that it has the right to make such investigations. Why it does not make them, I cannot understand.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. It is interesting that the Department opposes this particular provision, when the Department spends substantial sums of money in gathering information of much less merit than this information, in terms of the economics of the producers of fiber in the United States. In fact, the Department spends considerable sums of money in gathering information on foreign production of items not even in competition with American products.

I regret that the Department opposes this item. However, to my mind, at times opposition by the Department is almost an asset, rather than a liability.

Mr. MORSE. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. MORSE. I wish to thank the Senator from Louisiana for his very able attempt to be of assistance to those of us who are so vitally concerned with the Humphrey amendment, and I wish to thank him for the progress which has been made.

I regard the compromise amendment the Senator has brought back to us as a step forward.

But for the RECORD I wish to say that the failure to obtain acceptance by the House of Representatives of the Humphrey amendment is a serious blow to the small lumber operators in my State and, in my judgment, to the small lum-

ber operators in all the other States. I wish the RECORD to show why that is so.

Let me say to the Senator from Minnesota that I am not surprised that the Department is opposed to his amendment, because the policies of this Department under the administration have been the policies of the big lumber operators, not those of the small lumber operators. What his amendment sought to do was to give the small lumber operators the information they need regarding the value of their timber. That is what the "big boys" do not want the small lumber operators to have. As the Senator from Minnesota [Mr. HUMPHREY] has pointed out, the large operators want to keep this situation a confused one.

I think this administration is clearly guilty of a serious dereliction in the performance of its public duty, when it does not have the Department carry out the power it really has in respect to this price reporting.

I wish to say that, so far as I am concerned, we have just begun the fight on this matter; and at every opportunity we shall offer again the Humphrey proposal, because the small lumber operators are entitled to this price-reporting service from their government. In my judgment, they pay taxes for it, just as the recipients of other price-reporting services pay taxes for them. There is no sense in our trying to fool ourselves about this situation; it is a serious blow to the small lumber operators of this country, and it is a great favor to the designs of the big lumber operators.

Mr. President, what I am saying is in no way a criticism of our conferees, because I have been a conferee, too, and I know that there are times, after conferees have put up the best possible fight, when it is necessary that there be some give and take.

I wish to compliment the Senator from South Carolina [Mr. JOHNSTON] for saving as much as he did by way of his compromise proposal.

But I wish to serve notice on the big lumber operators in my State that I am not going to stop my fight to have the small lumber operators receive the service to which they clearly are entitled.

Mr. NEUBERGER. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. NEUBERGER. I wish to join the Senator from Louisiana, [Mr. ELLENDER], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Minnesota [Mr. HUMPHREY], and my colleague from Oregon [Mr. MORSE] in urging the necessity of instituting price-reporting in regard to timber. Actually, Mr. President, such reporting is even more important in the case of timber than it is in the case of cotton or similar field crops which are grown and harvested each year, because timber takes many years to mature; and when a timber owner fails to receive a fair price for his timber, that certainly means more to him and to his family than failure to receive a fair price for a crop of cotton or some other crop, which matures more rapidly than does a crop of fir timber or a crop of pine

timber. It requires 60 or 80 years for timber to mature to commercial size and quality.

In my opinion, one of the main groups to suffer as a result of the failure to include the Humphrey amendment in the conference report is the group of 3,400,000 American farmers who own farm woodlots, because they do not have the necessary resources or facilities of their own to enable them to find out what their timber is worth. They will be the chief victims if such a Federal price-supporting system is not established.

I wish to commend the Senator from Louisiana for his very valiant efforts to bring back the compromise amendment which all of us hope may in the next year or so produce a bona fide, genuine Government price-supporting system within the field of timber products.

Mr. STENNIS. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. STENNIS. Mr. President, I wish to add my word of appreciation to those of the Senator from Minnesota regarding the Senators who have worked so hard on this matter. I desire to state that I shall join the Senator in his efforts to get some such measure as this one written into law. In fact, I think the Congress will be derelict in the performance of its duty and will be in direct violation of its oath if it fails to make this provision for the producers of pulpwood and other wood on the farms. It is tragic that they are left without the benefit of this service, in the case of the timber that is grown on family-sized tracts and on other woodlands which such farmers own.

I come from a State which once was a great timber-producing State, and some day it will again be a great timber-producing State, although it is not at the present time. I know that in the past, when the timber produced in my State was sold, those who sold it received far, far less than its actual value.

At the present time, piecemeal, and in places, they are learning how to market their product, which requires so long to grow. In my area it grows faster than it does in the area of Minnesota. I know that the producer has obtained 2 or 3 or 4 or 5, or even 6 or 7 times as much in certain areas after he has learned how to value and market his product.

I hope we shall not allow another session to pass without an effective bill of the right kind being included as permanent policy and a permanent activity of our Department of Agriculture, which is capable of doing such a fine job in this field.

Mr. ELLENDER. I assure my good friend from Minnesota and all other Senators who are interested in the subject that, if and when the bill comes before the Senate the Committee on Agriculture and Forestry, of which I am chairman, I shall make every effort to see that such a bill is reported to the Senate and enacted into law.

Mr. HUMPHREY. I thank the Senator.

Mr. ELLENDER. Continuing with the items of agreement:

Eleventh. The Senate amendments providing for a discretionary two-price

plan for rice, redefining "normal yield" for rice, providing competitive support levels for cottonseed and soybeans, and freezing the transitional parity price for corn, wheat, and peanuts were agreed to by the conferees.

I do not know that I wish to go further into detail. However, I believe that the agreements reached in conference are fair, and I hope the Senate will adopt the conference report.

Mr. AIKEN. Mr. President, although I do not believe that the bill as reported from the conference, and which is covered by the conference report which is now before us, will be nearly as effective as some of its advocates hoped, I believe it is probably the best bill which could be obtained during this session of Congress. There are some things in the bill which I would have preferred to leave out. There are other things, which have been left out, which I would have preferred to see remain in the bill. However, that is now water over the dam. We have the best result which the conferees were able to obtain.

We have included provisions in the bill for a soil bank. I believe that probably too much is expected from the acreage-reserve program, and that in the long run the conservation reserve program, which would take marginal land out of production to build up its fertility, or put it to producing that for which it is best suited, will probably prove to be the most beneficial part of the bill. There will not be so much in the form of immediate returns from it, however.

The provisions of the bill relating to feed grains are the best upon which we could reach agreement. I believe that the four feed grains, noncompliance corn, and corn grown in noncommercial areas, are on as equitable a basis as possible.

The part of the bill which relates to the reforestation program is left intact. That may prove to be very beneficial, indeed.

Mr. President, I had no objection to the Humphrey amendment, which was stricken out at the instance of the House conferees. I should have been very glad to see it remain in the bill. I agree that a great many small landowners do not receive anywhere near the price for their timber that they ought to receive. However, when any Member of Congress says that the fact that the Department is authorized to issue market reports on forest products, but does not do so, is something which should be charged against the present Department of Agriculture. I must point out that in not issuing such market reports on forest products the Department of Agriculture is simply carrying out the policy which has been in existence for many years. I also point out that no appropriations committee during my service in this body has ever recommended an appropriation for that purpose. The Department does have the authority, but such market reports have never been issued during my term of service and neither has an appropriation been made for that purpose.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HUMPHREY. The Senator is entirely correct. I am pleased that he has corrected the RECORD in those terms, because it is true that this situation has gone unnoticed—if not unnoticed, at least uncared for. I hope that as a result of the discussion relating to this subject, we can proceed, in due order, to get what seems to be the objective of both the Senator from Vermont and myself, as well as of other Senators who have spoken.

I am very grateful and pleased that the section in the bill relating to reforestation was continued. I think this will be one of the truly great contributions to our long-term agricultural program.

I agree with the distinguished Senator from Vermont with respect to the conservation reserve program. He has referred to two long-range programs which will mean a great deal to the country. Acreage reserve has its short-term duration as a means of correcting production problems, and at the same time providing some replacement income where production cutbacks must take place.

The efforts which have been made to strengthen our forestry program have cut across the aisle. I hope we shall continue to make efforts on that basis.

Mr. AIKEN. I thank the Senator from Minnesota. I am glad he appreciates, as I do, that the conservation reserve part of the bill is, in the long run, by far the most important part of the bill. The other provisions are temporary. Some may never go into effect at all. Some may last 1 year, some 2 years, and some 3 or 4 years, but the conservation reserve program is something to which we must pay attention if we are to preserve our soil, water, and forest resources, as they should be preserved.

Mr. MORSE. Mr. President, I wish to express my appreciation to the distinguished Senator from Vermont for his contribution to the conservation program. Many times I have expressed by appreciation for the conservation work he has done. In my judgment, he has acted in accordance with the highest traditions of Teddy Roosevelt and Gifford Pinchot, the great forerunners in the conservation movement. I thank the Senator from Vermont for his conservation record.

I hope the Senator from Vermont will see his way clear, in due time, to be of assistance to us on the point we were discussing a few moments ago, namely, the need for price reporting on timber prices. I happen to believe that that is also a part of a sound conservation program. We shall conserve our timber better, and make better use of that timber, when producers of the timber are given the facts which I think they need in the matter of prices. That is why I think the price-reporting service is so essential.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter under date of May 22, addressed to the Senator from Louisiana [Mr. ELLENDER], chairman of the Senate Committee on Agriculture and Forestry, dealing with the matter of price reporting on our timber resources.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 22, 1956.

The Honorable ALLEN ELLENDER,
Chairman, Senate Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

MY DEAR SENATOR: This is just a short note to give you my views concerning the importance of the forest products price reporting provisions of the farm bill, H. R. 10875, as it was reported by the Senate Agriculture Committee. Section 402 relative to such price reporting would provide a service to timber growers and tree farmers. There is one thing that is going to get better forestry on our farm woodlands—real knowledge that raising timber pays.

The Federal Government spends almost \$15 million a year to help fight forest fires, plant trees, and give timber-cutting advice to small woodland owners under the Clarke-McNary Act. The States spend double this amount in matching funds. These are sound programs but I feel something has been lacking in getting better forestry on our farm woodlands. They are in bad shape, as the recent timber resources review of the Forest Service points out.

Our farmers do not have a real dollar incentive to grow trees. The price reporting section of H. R. 10875 will provide this incentive. If our farmers can get up-to-date information on what stumpage, logs, and pulpwood are worth, they will quickly see the value of growing trees.

The lumber associations have been lobbying against this section. They talk about better forestry but they overlook the fact that better forestry will come only when the man who owns timber can get a fair deal when he sells his trees. In the South, for example, 74 percent of the timberland is in the hands of farmers and small landowners while only 13 percent is owned by the forest industries. These small owners often do not know the value of their timber, making it possible for the sawmill to take advantage of them. The small income the farmer gets from the timber does not encourage him to grow trees.

We can help the farmers, the small landowners and the forests of our country if we retain section 402 in the bill that is now in conference. Senator HUMPHREY has done a grand job in providing a measure of real value to the farmer. We all come from timbered States that will benefit from this section and if it is retained in the bill we can tell the people of our States about another real accomplishment by Democratic leadership in the Congress.

With best regards,
Sincerely,

WAYNE MORSE.

Mr. AIKEN. I thank the Senator from Oregon for his remarks. I know how keenly he feels, not only about our forests, but the conservation of our natural resources generally. I feel that there is nothing more important that we could do and bear in mind at all times than the preservation of the wonderful natural resources which we possess.

My own State is a small State. We have made a great deal of progress, I think, in the right direction. Every county in the State has an extension forester. I believe my State was the first State to inaugurate such a program. We can operate such a program because there are only 14 counties in the State. I hope the time will come when every county in the country which has any ap-

preciable amount of forest will be able to give full service to the farmers and forest owners, in a manner comparable to what we are able to do in my State at present.

I realize the need for forest landowners to be properly informed as to the value of what they may have to sell. At the present time only five States perform this service. I do not remember the names of all of them. There is New Hampshire, in the East; Michigan, Wisconsin, Pennsylvania, and I believe one of the States in the Northwest—possibly Washington. At any rate, it is some State in another part of the country. Those States already perform this service.

It could be a valuable service. I can also appreciate the difficulties involved in getting up quarterly reports, because all of us must realize that trees in one place may have an entirely different value from trees located only 2 miles away. There may be a mountain ridge between them, for example. Therefore, I appreciate the difficulties which the Forest Service might have in publishing these reports. However, we have left in the bill a mandate for the Department to determine what can be done in that respect and to report on their investigations to Congress within the next year.

I yield to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, the distinguished Senator from Vermont merits all the praise he has received in connection with the conservation reserve program. However, I should like to ask him one question. I ask him if it is not true that it is completely accurate, as the Senator from Vermont has stated, that there has been no timber price reporting in the past, regardless of the administration in office.

Mr. AIKEN. Not on a Federal basis.

Mr. NEUBERGER. Not on a Federal basis. However, there has been no appropriation made for that purpose. Is that not correct?

Mr. AIKEN. That is correct.

Mr. NEUBERGER. But is it not also a fact that never before has this service been so urgent, because few natural resources have had such perilous and dangerous inroads made upon it in recent years as is the case with our timber resources?

I say that because timber resources are now so threatened and so much in danger of diminution that I know of areas in the Pacific Northwest, for example, where fir timber is being sold for from \$30 to \$45 a thousand board-feet, which only a relatively few years ago brought \$3 or \$4 a thousand board-feet.

When a man sells a substantial amount of timber for \$4 a thousand board-feet, which might, under proper competitive bidding, if he were advised by his Government of prices, yield him as much as \$30 or \$45 a thousand board-feet—and there is a substantial amount of timber involved—it is a serious thing, indeed.

Therefore, although a Federal price-reporting system might not have been needed 8 or 10 years ago, it is urgently

required today, in view of the diminution of our timber resources.

I am sure that the Senator from Vermont, with his background in forestry and farming, surely must realize that fact.

Mr. AIKEN. Yes; I realize that the conservation of our natural resources was of extreme importance even before the Senator from Vermont was born. Our failure to recognize that fact years ago now is one the reasons that we have a reduction in our resources today.

I believe that Members of the Senate will be interested to know that only this winter Canadians have been coming over the border into Vermont and buying logs out of our mill yards and paying \$10 a thousand board-feet more than some of our local purchasers were willing or able to pay. I do not say that all of them were able to pay that much more, and probably not all of them were, but, at any rate, the price was boosted by about \$10 a thousand for our softwood lumber. That is a considerable amount. It is due, of course, to the rapidity with which the Canadian economy is expanding. Therefore, we have had a substantial increase in the price of forest products.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. The Senator from North Dakota was detained in a meeting of the Committee on Foreign Relations this afternoon, and therefore did not hear the report of the chairman of the committee or of the distinguished Senator from Vermont. I should like to ask him whether the O'Mahoney amendment was retained in the conference report.

Mr. AIKEN. The second O'Mahoney amendment was retained. The first O'Mahoney amendment was stricken out. Judging from the telephone conversation with the Senator from Wyoming, I got the impression that it was the second O'Mahoney amendment which he was particularly eager to have retained in the bill.

Mr. LANGER. The amendment deals with livestock, as I understand.

Mr. AIKEN. It deals with livestock and grazing. The first amendment provided that in the case of violation of acreage reserve contracts, the Secretary could deny price supports if he determined such violations warranted such a penalty.

Mr. LANGER. Which amendment was retained?

Mr. AIKEN. The second one, the short amendment. I do not recall on which page of the bill it was.

Mr. LANGER. It dealt with livestock, however; is that correct?

Mr. AIKEN. It is the one which the junior Senator from Wyoming particularly wanted to have retained in the bill.

Mr. LANGER. Are there any limits applied on the amount of money?

Mr. AIKEN. No; because there was no limit on soil-bank payments to an individual contained in either bill, and the matter did not come into conference.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

Mr. MORSE. Mr. President, did the Chair announce that the conference report had been agreed to?

The PRESIDING OFFICER. The Chair announced that, without objection, the conference report was agreed to.

Mr. AIKEN. I should like to ask the Chair to withdraw that announcement. I have not finished my statement.

Mr. MORSE. The Senator from Vermont has not completed his statement. He has not yielded the floor.

The PRESIDING OFFICER. The Chair thought the Senator from Vermont had yielded the floor.

Mr. AIKEN. No; I have not yielded the floor. I hope the Chair will withhold the announcement until I have concluded my speech.

The PRESIDING OFFICER. The Chair withdraws the announcement.

Mr. AIKEN. I will be able to complete my statement in a few minutes.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Kansas. I do not wish to have the conference report agreed to until I have had an opportunity to complete my statement.

Mr. CARLSON. I should like to ask the Senator from Vermont if there is anything contained in the conference report which would permit farmers to take advantage of the acreage reserve program by taking land out of production, in a wheat or corn area, by plowing under acreage.

Mr. AIKEN. The bill requires an acreage reserve program for 1956, but the committee report states that the Secretary is not expected to do what is impracticable; and if he finds that he can put acreage reserve programs into effect this year in any part of the country, he has full authority and direction to do so now.

However, we do not expect him to do the impossible. We also do not expect to have much acreage of growing crops plowed under for the purpose of getting into the acreage reserve program. I believe there would be widespread public resentment if that were done.

Mr. CARLSON. I appreciate that there are areas in this country, particularly in the Middle West, where corn has not been planted. Would farmers in such areas be eligible to enter the acreage reserve program, provided the Secretary placed it into effect and provided Congress voted the funds for that purpose?

Mr. AIKEN. Technically, they would be eligible, provided it is physically possible for the Secretary to get the program working in time.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. Mr. President, I wish to express my appreciation to the conferees for retaining the amendment I had sponsored on the floor, which continues the practice, in our national wildlife refuges, wherever we can continue it, for sharecroppers to raise on Federal land price-supported crops, provided a part of it is left standing for bird feed. I have checked the matter with the

chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], and he has told me that that amendment has been retained. I appreciate the fact that it has been retained. I wish to mention it at this point in the RECORD primarily because yesterday I saw on the news ticker in the Senate lobby an item suggesting—and it did not say specifically—that the Department of Agriculture was about to order that practice discontinued.

Therefore I wish to have it clear in the RECORD, and to have it buttoned down, that the report on the legislation before the Senate and the action of the conference committee make it clear that Congress intends that the present practice shall prevail with respect to wildlife refuges.

Mr. AIKEN. So far as I know, the Department does not contemplate any such action.

Mr. MUNDT. I am sure it does not.

Mr. AIKEN. The President yesterday issued an order to the various departments to stop leasing great acreages of publicly owned land for the production of price supported crops which are in surplus. I understand that it may result in about a million acres being taken out of production.

I may say that the small farmers who have traditionally depended upon some of that land to complement their own holdings will not be deprived of that land, and that the present leases will not be canceled. However, it is believed that there are about a million acres, which are now used by—shall I call them promoters?—who do a good business by raising crops on Government lands and turning them over to the Government. That is what we are trying to stop. There is a provision contained in the conference report which is designed to prevent such a practice.

Mr. MUNDT. It is perfectly sound legislation to get away from that kind of practice. I merely wish to be sure that the RECORD is clear and that there is no conflict between the action of Congress and the order issued yesterday, because otherwise the result would be either to eliminate the usefulness of our wildlife refuges altogether, or to impose upon the taxpayers of our country the additional burden of approximately \$5 million a year in order to secure what we are now getting without any charge at all.

Mr. AIKEN. I think the statement issued yesterday carries out the intent of the bill on which we are working today. As a matter of fact, the question was taken up with the administration some weeks ago, and it has been worked out. I believe the language which is in the bill was suggested by either the Department of Agriculture or by the White House.

Mr. MUNDT. By the Fish and Wildlife Service.

Mr. AIKEN. There is no intention on the part of the committee to do away with the production of feed for wildlife on public lands.

Mr. CARLSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. CARLSON. Following the same thought which the Senator from South Dakota expressed regarding the use of land, which the Government owns and operates, that is, which is leased out to private individuals, I think the Presidential order was certainly timely. I have received complaints from persons in my own State not only in connection with the production of crops, but as to whether the land comes under the soil-conservation provisions. I think it is something to which we should give some thought, because there are millions of acres of such land, and a farmer can be seriously damaged by some of the land adjoining his farm. The Government does not pay any attention to the handling of the soil or the impounding of water. I think the Department should not only follow through on that part, but should give some consideration to the soil-conservation part of it. A farmer may have his land completely spoiled by adjacent Government land.

Mr. AIKEN. I think the Watershed Act which is now on the books but which needs implementing, extension of the Water Facilities Act to the entire country, and now the bill which we are putting through the Senate today should take care of the situation. There should be ample authority on the books for the Government not only to discontinue the production of surplus crops on its lands, but actually to put them into soil-conserving crops, or, at least, to take action to make the facilities available for future use.

Mr. CARLSON. Mr. President, I do not like to let this opportunity pass, as we are about to conclude action on the farm bill, without paying my sincere respects to the chairman of the Committee on Agriculture and Forestry and to the members of the committee for the fine work they have done. I know some of the problems which confronted them. In fact, I have been responsible for some of the problems. I am indebted to the committee. I am very pleased that the bill contains a provision for domestic parity on one commodity. I think it is a program which we must come to in the course of time. I should have liked to see it tried out. There are problems connected with it, but I wish to advise the chairman and the Members of the Senate that I do not think we have solved the wheat problem. I think it must be solved on a domestic parity basis. We cannot ask the farmers of this Nation to produce wheat and sell it on the world market at world market prices when they have to buy their commodities, pay their taxes, pay labor, and buy farm machinery on a domestic market.

I am indebted to the committee for bringing forth what I would call a pilot program.

Mr. ELLENDER. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. ELLENDER. I wish to thank my good friend from Kansas and to say that I hope he will talk to the Secretary and try to have him initiate a program, because what we have in the bill is only discretionary.

Mr. AIKEN. I thank the Senator from Kansas for his remarks.

Mr. President, I should like to make one last statement in order to make clear one point in the bill which has not been referred to so far, so far as I know.

The bill approved by the conferees with respect to the soil bank program makes it clear that the reason for the program is that excessive supplies of agricultural products which have been built up over the years are depressing farm prices and incomes. Accordingly it authorizes programs to assist farmers to retire cropland from the production of excessive supplies in order to cut down on the burdensome surpluses. It is clearly the intention of the conferees and of the Congress that this bill should be administered in such a manner as to cut down on the surpluses which are the main factor in keeping farmers from more fully participating in this country's unprecedented prosperity.

I wish specifically to invite attention to the fact that while the acreage reserve program can be entered into on the basis of a 1-year contract, nevertheless the bill provides, on page 12, line 19 to 21, as follows:

The rates of payment offered under this section—

Which is the payment section of the acreage reserve program—

shall be such as to encourage producers to underplant their allotments for more than 1 year.

The reason why this provision is in the bill is that 1-year contracts could result in increased rather than decreased production. Accordingly it is provided that the rates of payment may be adjusted so as to encourage withdrawal of acreage for a number of years rather than for 1 year only.

Mr. President, I believe the Senator from Louisiana [Mr. ELLENDER] agrees that we do not want to get into a program to reduce production which would have the effect of increasing production. That is why we have placed this provision in the bill.

Mr. MORSE. Mr. President, I wish to join with the Senator from Kansas in his remarks, and I wish to thank the chairman of the committee [Mr. ELLENDER] most sincerely for the great assistance he has been to us throughout the many weeks in which the farm bill has been under consideration.

I particularly wish to thank him for the assistance he has been to the Senator from Kansas and the Senator from Oregon with respect to the domestic parity program for wheat. I wish the RECORD to show that, in my judgment, the Senator from Kansas and the Senator from Oregon were successful in the inclusion of the domestic parity program for wheat in the first farm bill as it passed the Senate because of the sympathetic understanding of the Senator from Louisiana. I am glad there is a domestic parity program, because it can be a pilot-plant operation, so to speak.

Mr. President, I certainly think those of us who supported the domestic parity program for wheat owe it to the Senator

from Louisiana to use our good offices in urging the Secretary of Agriculture to exercise the discretion which the final bill has given to him to try out a domestic parity program.

On the RECORD, I should like to refresh the recollection of the Secretary of Agriculture with reference to the statement he made in Portland some months ago in speaking before the Oregon Wheat League. The question was raised as to a domestic parity program for wheat, and he, for the first time, indicated that it had great merit to it but that he felt consideration should be postponed for a year. He, in effect, said to the Oregon Wheat League that he hoped they would continue to present their views in regard to it so that the fullest consideration could be given to the subject during the coming year.

I think the Senator from Kansas certainly would have no objection to my saying for the RECORD this afternoon that when the original bill was vetoed and we came to the problem of considering the second bill and what we, as representing two great wheat States, should do in respect to the wheat problem, we consulted with our colleagues in the Senate, including the Senator from North Dakota [Mr. Young] and other Senators representing great wheat constituencies.

So far as I am concerned, I consulted with the representatives of the Oregon Wheat League and the National Grange. It was their judgment that, so far as this particular bill was concerned, we should not attempt, by way of amendment, to include a domestic parity program for wheat.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARLSON. The senior Senator from Oregon has stated correctly the fact that we consulted with one another and discussed the question. It was our general understanding and agreement that this was not an opportune time to try again to include domestic parity for wheat in the farm bill.

We were very much pleased by the cooperation and results we had received from other Members in the previous effort, in view of the situation that developed in connection with the farm bill as a whole.

The senior Senator from Oregon is entirely correct in his statement that we mutually agreed not to take action at this time.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. NEUBERGER. I joined with my colleague the senior Senator from Oregon in consulting with the groups which supported the domestic parity plan for wheat and in asking them for the benefit of their counsel as to what should be done about the so-called second time around with the farm bill.

They seemed to think, almost unanimously, that, despite their disappointment over the veto of the original bill, another effort should not be made at this particular time to include the do-

mestic parity plan for wheat. However, I know that they take some slight degree of satisfaction in the fact that a so-called two-price plan will be given a fair trial—at least, we hope it will be a fair trial—with respect to rice, and that it will perhaps furnish a precedent which will hasten the adoption of a domestic parity plan for wheat.

I must admit in all candor that the Oregon wheatgrowers have waited a long time, because many of them were active in the 1920's, when the late Senator Charles McNary sponsored the McNary-Haugen bill, which was passed in 1927 and vetoed by President Coolidge. It must be conceded that those people have waited a long time for the trial of a domestic parity plan for wheat; and if they have to wait much longer, the normal span of life may run out.

I join with the senior Senator from Oregon and the junior Senator from Kansas in expressing the very fervent hope that by next year, at the very latest, the great American staple basic, wheat, will receive a fair trial under the domestic parity program.

Mr. MORSE. I thank my colleague. I say through the RECORD today to my entire constituency that his statement on this matter is but additional evidence of the consistent support which he has always given since he has been in the Senate to the interests of the Oregon wheat producers.

I wish to complete the record by saying that in the last few days I have received communications from some wheat producers in Oregon, who are not, apparently, fully aware of the legislative policy which we have followed in regard to this matter, and who are not aware of the fact that the two Senators from Oregon have been in close and, I may say, almost constant contact with representatives of the Oregon Wheat League, particularly Mr. Taylor, and Mr. Floyd Root. I say to them on the record today that I communicated with Mr. Taylor when he was here, and also with Mr. Root in long-distance telephone conversations on several occasions, while the second farm bill was pending; and on the basis of their advice we decided upon a course of action of not offering the domestic parity program for wheat as an amendment to this bill. I say quite frankly that I think by not doing so we will probably demonstrate that we are in a stronger position for the support of such legislation independently next year.

Some of the letters have raised the question why I supported the domestic parity program for rice, but did not insist, in this bill, upon such a program for wheat. I want to say, good naturedly, because I am very objective in the performance of my duties in the Senate, that I think by supporting a domestic parity program for rice I performed a good service for the Oregon wheat producers, and for this reason:

We were satisfied that we would not be successful in offering as an amendment to this bill a two-price wheat program. I must exercise discretionary judgment as to how best I can serve my constituency in a matter such as this. I am satisfied that by giving support to

the principle of a domestic parity program as applied to rice, and giving it an opportunity to work—and I feel certain that the result of its working will be successful—I have greatly enhanced the likelihood of the final success of a domestic parity program for wheat.

To my constituency on this matter, I say they can be certain that I will continue to press in the future, as I have in the past, for the domestic parity principle, which, as my colleague has just pointed out, was one of the objectives of the great Charles McNary, of Oregon, and was written into the McNary-Haugen bill.

I agree with the Senator from Kansas [Mr. CARLSON] that we will not do economic justice to the wheat growers, justice to which I think they are entitled, until we adopt, at least in some form, the principle of the old McNary-Haugen bill in respect to the domestic parity program for wheat.

In closing, I wish to thank not only the Senator from Louisiana [Mr. ELLENDER] and his colleagues on the Committee on Agriculture and Forestry, but also the representatives of the Grange and the Oregon Wheat League, who have come to Washington, sat down with us, and presented us with the information, the facts, and the evidence we have needed in order to present for the approval of the Senate a program for a domestic parity-price system for wheat, and the Senate approved it when the first farm bill was before it.

We hear so much criticism of legislative representatives who come to Washington to lobby, so-called, the elected representatives of the people. I wish to raise my voice in the Senate again in support of honest, legitimate lobbying, because there is not a Senator in this body, in my judgment, who could perform the services for his constituency which they are entitled to receive from him unless he obtained the information from legitimate and honest legislative representatives of the various economic groups in this country which are vitally concerned with the legislative policy of Congress.

It is not a question of whether we are lobbying; it is a question of what we do, as honest men and women in the Senate, with the facts which are presented to us from the different sources from which we receive them. In the last analysis, the facts speak for themselves.

I say again, as I said when I was discussing the domestic-parity program, that I was functioning as a legislative counsel for the wheat producers of my State. I thought they were entitled to my counseling service. I presented to the Senate the evidence which they had presented to me, on the basis of which I had become convinced that they had a sound legislative proposal. That evidence stood up. As a result, we passed their program in the first bill.

I serve notice now that, come the next session of Congress, I intend to press again for the adoption of a domestic parity program for wheat, because I think it will bring economic justice to the wheat producers not only of my State, but of the Nation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield to my friend, the Senator from North Dakota, but before doing so, I wish to thank him for the great service which he, as a member of the Committee on Agriculture and Forestry, has performed for the American farmers, and also for the many fine services he has performed for the farmers of my State.

As he knows, I always go to him for advice and counsel on agricultural problems, and he has never let me down. I have found that I could rely upon the advice and counsel which he has given me, just as I have been able to rely upon the Senator from Kansas [Mr. CARLSON] in connection with the wheat problem. We have worked together in a cooperative effort to reach a common objective and have tried to do justice to the wheat producers of the country.

Mr. YOUNG. Mr. President, I am deeply grateful to the senior Senator from Oregon for his very kind comments. He has always maintained a sincere and sympathetic interest in the problems of farmers. It has been a pleasure to work with the senior Senator from Oregon and the junior Senator from Kansas, and also with the representatives of the Oregon Wheat League, the Grange, and other organizations on the domestic parity plan for wheat. To me, such a plan represents a far better program than the flexible price-support program.

Although we lost this year, we will continue to fight another year.

There is another matter which I think is very important. We are going to have to have a better parity formula. The modernized parity formula is completely wrong in principle. I think by continuing transitional parity, as provided in the bill, we shall have a chance next year to enact a fair parity formula.

Mr. President, in closing, I wish to say that the Senator from Oregon [Mr. MORSE], the Senator from Kansas [Mr. CARLSON], and I cannot make a too long-term commitment on the farm program, because of certain events which will take place later this year. [Laughter.]

Mr. MORSE. We shall have to take out chances on that.

In closing, Mr. President, I wish again to thank the Senator from Kansas, and I wish to say to the wheat growers of my State that they need only read the statements in the RECORD today to be doubly reassured that they can count at the next session on a continued fight for a domestic parity program.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The question is on agreeing to the conference report.

The conference report was agreed to.

PART-TIME UNITED STATES FOREIGN POLICY

Mr. MONRONEY. Mr. President, the evidence is growing almost every day that we are witnessing the administration of a part-time foreign policy by Mr. Dulles and his aides in the State Department. Only today two of the administration's most friendly and distinguished newspaper correspondents, Mr.

The message also announced that the Senate had passed bills, a joint resolution and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 510. An act for the relief of Mary A. Mouskalis;

S. 806. An act to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice;

S. 875. An act for the relief of Angel Marie Olaeta-Goditia;

S. 1245. An act for the relief of Agnes V. Walsh, the estate of Margaret T. Denehy, and David Walsh;

S. 1273. An act to amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended;

S. 1637. An act to extend the time limit within which awards of certain military and naval decorations may be made.

S. 1895. An act for the relief of Anna Maria Fuller;

S. 1961. An act to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes;

S. 2226. An act to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941;

S. 2341. An act for the relief of Gertrude Heindel;

S. 2352. An act for the relief of Maj. Luther C. Cox;

S. 2379. An act to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry;

S. 2690. An act for the relief of William G. Jackson;

S. 2722. A act for the relief of Fai Hoo;

S. 2930. An act for the relief of Eladio Ledesma-Gutierrez;

S. 2937. An act to increase from \$50 to \$75 a month the amount of benefits payable to widows of certain former employees of the Lighthouse Service;

S. 2967. An act to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes;

S. 3011. An act for the relief of Chan Lee Nui Sin;

S. 3040. An act for the relief of Gertrud Charlotte Samuelis;

S. 3058. An act for the relief of Javier F. Kuong;

S. 3101. An act to authorize construction by the Secretary of the Interior of the Crooked River Federal Reclamation project, Oregon;

S. 3147. An act for the relief of Elsie M. Kenney;

S. 3332. An act to amend the Employment Act of 1946, as amended;

S. 3412. An act to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war risk insurance for an additional 5 years;

S. 3547. An act to amend section 1 of the act of August 9, 1955 (69 Stat. 555) authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque;

S. 3844. An act to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas;

S. J. Res. 143. Joint resolution to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by a canal under the jurisdiction of the Bureau of Reclamation; and

S. Con. Res. 77. Concurrent resolution authorizing the printing of additional copies of parts 6, 7, and 8 of the hearings on the study of the antitrust laws of the United States.

COMMITTEE ON AGRICULTURE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the House Committee on Agriculture may have until midnight tonight to file a conference report on the bill, H. R. 10875, the farm bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2197)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 5, 11, 36, 46, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 50, and 51 and agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: On page 8, line 10, of the Senate engrossed amendments strike out "April 15" and insert in lieu thereof "May 1"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"STUDY OF PRICE TRENDS FOR FOREST PRODUCTS

"SEC. 402. The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within one year from the date of enactment of this Act shall submit a report thereon to the Congress."

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
JAMES O. EASTLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The Senate made 51 amendments to the House bill. Of these, two-thirds were merely clarifying or technical in nature and were generally accepted by the committee of conference. Following are the substantive differences between the bill passed by the House and that agreed to by the conferees and reported herewith.

THE SOIL BANK PROGRAM

Deleted from the bill are two provisions relating to the soil bank which were written

into the bill on the House floor: The Albert amendment requiring the Secretary to establish an acreage reserve program for grazing lands and the McIntire amendment requiring the establishment of an acreage reserve program for "other field crops." Also deleted is the provision requiring the Secretary to establish an acreage reserve program for grains and the extensive program worked out by the House committee for establishing a base acreage for feed grains and encouraging, by means of incentive price supports, a reduction of at least 15 percent in the production of feed grains. The total annual authorization for the acreage reserve program was reduced from \$800 million to \$750 million in conformity with the elimination of the programs just referred to.

In connection with the elimination of the feed grain part of the acreage reserve program, the House conferees agreed to the elimination of this provision chiefly because of a showing that data with respect to feed grain acreage and production on individual farms is not as available as data with respect to other crops included in the acreage reserve and that, therefore, it would have been difficult, if not impossible, at this late date, to set up an adequate acreage reserve program for feed grains for 1956. The action was taken, however, with the assurance that if the experience gained in operation of the soil bank during the coming year should appear to make it more practicable to establish an acreage reserve program for feed grains effective in 1957 or 1958, sympathetic consideration will be given to such legislation at both ends of the Capitol.

No other changes of consequence were made in the soil bank portion of the bill. A Senate amendment emphasizing that the grazing of conservation reserve land is a violation of contract appears merely to underline similar provisions already in both the acreage reserve and the conservation reserve portions of the bill.

A major provision, dealing with the start of the soil bank program was resolved in favor of the House bill. The House bill directed that the soil bank be started with 1956 crops. The Senate bill directed only that the Secretary start the program with the 1956 crop "to the extent he deems practicable." This language, together with the known position of the Secretary of Agriculture on this matter, led to the general assumption that under the Senate provision there would be no serious effort to get the soil bank program under way for 1956 crops.

The conferees accepted the House language with respect to this matter, agreeing to make the soil bank effective immediately, as provided in the House bill. It was recognized, however, that the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The Committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

PRODUCTION ON GOVERNMENT OWNED LANDS

As reported from the Committee on Agriculture, this section (sec. 125) directed the President to restrict insofar as practicable the leasing of government lands for the production of price supported crops in surplus supply. It was amended on the House floor to apply to "agricultural commodities" instead of "price supported crops" and the Senate amendment, adopted by the conferees, returns to the original language of the House committee. The Senate also added an amendment making it clear that the section should not prevent programs

designed to provide food for water fowl on wildlife refuges, and similar activities.

EXPORT SALES PROGRAM FOR COTTON

The conferees have accepted Senate amendment No. 26, adding section 203 to the bill. This section directs the CCC to use its existing powers and authorities to encourage the exportation of cotton by offering to make it available at prices based on sales under the so-called million-bale program (announced August 12, 1955), and even lower if necessary, in order to be competitive with foreign countries exporting cotton in substantial quantities. The principal difference in the program required by this provision as contrasted with the million-bale program and the program now in effect (announced on February 28, 1956) will be in the price level at which bids are accepted.

This provision directs that such quantities of cotton be offered and sold as will reestablish and maintain the fair historical share of the world market for United States cotton, the quantity to be determined by the Secretary of Agriculture. The Secretary has indicated that he considers 5 million bales to be the fair historical share based on the present level of world trade in cotton. This committee believes this to be reasonable in view of the history of United States exports.

It is hoped that the Secretary can regain the historical American share of the world market without unnecessarily lowering the level of world prices for cotton, and it is not intended that he shall be required to drastically reduce the price of cotton far below the level of prices received at the sale announced August 12, 1955. On the other hand, it is intended that he shall have ample authority to reduce prices to whatever level he finds necessary to accomplish this result.

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

Section 302 of the House bill provided that the national acreage allotment for cotton should not be smaller in 1957 and 1958 than it is for 1956. Amendment No. 37 of the Senate provides additionally that the State allotment for any State in 1957 and 1958 shall not be reduced more than 1 percent per year. Additional acreage allotment received by States for 1957 and 1958 under this section shall not be taken into account in establishing future State acreage allotments. In determining 1957 and 1958 State history of cotton plantings for purposes of future State allotments such acreage history could not exceed the State acreage allotment for such years less the acreage received by the State under sections 302 and 303 (a).

LOANS ON SPOTTED COTTON

In considering the cotton provisions of the bill, the committee discussed the matter of loans on spotted cotton. It is aware that the CCC has refused in the past to reflect in its loan programs the normal trade differential between light and heavy spotted cotton, although the Secretary has complete authority to establish such differentials in the loan program. The committee has proposed no legislation on this matter because it assumes that the CCC will exercise its existing authority in future cotton loan programs and establish a proper differential between light and heavy spotted cotton. It is the desire and intent of the committee that this be done.

MINIMUM ACREAGE ALLOTMENTS FOR RICE

Section 304 of the House bill provided that the State acreage allotments for rice for 1956 should not be less than 85 percent of the final State allotment for 1955. Amendment No. 44 of the Senate provides that the national acreage allotments of rice for 1957 and 1958 shall not be less than the final national allotment for 1956 and shall be apportioned among the States in the same manner as the 1956 final allotment.

PRICE SUPPORTS FOR FEED GRAINS

The House bill contained a provision (sec. 308 (b)) making an increased level of price support available to feed-grain producers in return for a 15-percent reduction in feed-grain acreage. The conference has accepted the Senate amendment which strikes out the House provision and substitutes a subsection containing the following provisions:

(A) Support of the 1956 crop of grain sorghums, barley, rye and oats at 76 percent of parity as of May 1;

(B) Support (in any year in which base acreages are applicable for corn) for corn in the noncommercial area at 82½ percent of the level applicable in the commercial area; and

(C) Support for the 1957 crop of grain sorghums, barley, rye, oats, and corn outside the commercial area at not less than 70 percent of parity as of the beginning of the marketing year, if price support is made available to corn producers not complying with acreage and soil bank participation requirements. Support for feed grains would not be dependent in either 1956 or 1957 upon compliance with acreage or soil bank participation requirements, or upon whether there is an acreage reserve program for corn.

WHEAT

The conferees eliminated from the bill two major amendments of the Senate—amendment No. 36 authorizing the sale of not to exceed 100 million bushels of wheat annually for feeding purposes and amendment No. 48 authorizing production without regard to quota of wheat to be used by the producer on his farm for feed or seed.

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

The conferees accepted Senate amendment No. 49 with an amendment which eliminates from the section everything relating to price reporting and research and preserves only subsection (d) of the Senate amendment requiring the Secretary of Agriculture to make a study of price trends and relationships for basic forest products and submit a report thereon within 1 year from the date of enactment of this act.

CERTIFICATE PROGRAM FOR RICE

The conferees accepted the Senate amendment providing a certificate program for rice (amendment No. 50, title V of the conference bill). This program is identical with that which was included in the final version of H. Res. 12 except that inauguration of the program is discretionary with the Secretary of Agriculture and will not be put into effect unless he "determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers in the United States." Included in this amendment is a new definition of "normal yield" for rice which is also identical with a similar provision in H. Res. 12.

PRICE SUPPORT FOR COTTONSEED AND SOYBEANS

The conferees accepted a provision (amendment No. 51), identical with a similar provision in H. Res. 12, which will require that whenever the price of either cottonseed or soybeans is supported, the price of the other shall be supported at a level which will cause them to compete on equal terms in the market.

TRANSITIONAL PARITY

The conferees accepted a provision (sec. 602) which will freeze "transitional parity" for the basic commodities for 1957. This will mean that the parity price of corn, wheat, and peanuts (the only three basic commodities currently affected by the transitional parity formula) will be 5 percent higher in 1957 than they would otherwise have been. The amendment also requires the Secretary of Agriculture to "make a thorough study of possible methods of improv-

ing the parity formula" and to report to Congress thereon not later than January 31, 1957, and include drafts of any legislation needed to carry out his recommendations.

HAROLD D. COOLEY,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,

Managers on the Part of the House.

RED HAT DAY

(Mr. ELLSWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ELLSWORTH. Mr. Speaker, approximately 1 year ago I addressed remarks to the House calling attention to the launching of a unique experiment in the State of Oregon known as Red Hat Day. At that time I described the objectives which this educational program hoped to achieve and suggested that the idea merited adoption by other States of the Union.

The suggestion for Red Hat Day originated with the Portland chapter of the division of Oregon, Izaak Walton League of America, Inc., and was officially adopted by the State of Oregon with sponsorship throughout the State by groups interested in conservation, recreation, and by numerous sportsmen's organizations. The general purposes were to promote better sportsmanship practices; prevent fires in timber and range area; encourage caution and safety in hunting; bring about better relationships between sportsmen and landowners; and to encourage observance of game laws.

The results of this experiment have just been made available in a report by the Governor's Red Hat Day committee. The value of the program is abundantly evident from the results which were achieved throughout the State. Enforcement officers of the game division of the Oregon State Police found fewer complaints regarding the conduct of hunters and there were fewer trespass complaints. In some instances, the no-trespassing notices in the local press were substantially reduced. The number of domestic animals killed during the hunting season was the smallest for any similar period on record within the State.

Violations of the game laws were fewer during the early days of the deer hunting season than for any similar period in recent years, although the number of hunters during the year increased by 6 percent.

The United States Forest Service reported about half the average number of fires known or assumed to have been started by hunters. The acres burned as a result of these fires was about one-ninth the previous annual average acreage.

Although more hunting accidents were reported in 1955 than for the previous year, the report indicates that hunters were more careful with firearms when actually hunting. Such accidents arising from individuals being mistaken for game were one-third to one-fourth of such percentages in recent years.

While much improvement can still be made over 1955, the desirability and benefits of the Red Hat Day program has been demonstrated. The public was made generally more aware of the seriousness of the problems facing hunters, landowners, and Government agencies. Succeeding years will bring further improvement as this program continues. Other States may well study the experience of Oregon for improving the protection of life and property and bringing about a higher regard for conservation activities and for the recreational facilities in those States.

INDIANA TOMATO AND VEGETABLE JUICE

(Mr. BEAMER asked and was given permission to address the House for 1 minute.)

Mr. BEAMER. Mr. Speaker, under the auspices of the Indiana Cannery Association and with the compliments of the Naas Foods, Inc., of Portland, Ind., I have the privilege of presenting cans of Indiana tomato juice and vegetable juice to all Members of the House of Representatives.

Indiana is justifiably proud of its canned foods and especially of its tomato products which are being shipped to all parts of the United States and to many foreign countries.

It was in Indiana where the first tomato juice was prepared and canned commercially approximately 30 years ago. It was in Indiana, likewise, where the process was developed for separating the color of tomatoes for juice purposes. Later it also was in Indiana where the homogenizing process was developed for the manufacture and canning of tomato juice.

The natural tang and taste of Indiana tomato juice is derived from the natural balance of chemicals in the Hoosier soil, and it is this genuine flavor that affords such a satisfying and healthful drink.

Indiana is one of the largest producers of tomatoes and tomato products in the United States. The Fifth Congressional District that I have the privilege to represent happens to have a great concentration of these tomato farms and canning factories producing tomato products. This industry provides employment and an economic livelihood for thousands of factory workers and farmers. Modern agricultural methods provide constantly improved tomatoes, and the sanitary and approved processing and canning plants combine in the continuous efforts to provide the public with these delectable Indiana tomato products.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. BEAMER. I yield to the gentleman from Indiana.

Mr. HARVEY. I want to congratulate my colleague upon this very fine endeavor and the effort to inform our colleagues of the House of the very fine products of our State of Indiana.

Mr. BEAMER. I thank the gentleman. I know tomatoes come from his district. All of you will enjoy the tomatoes that come from Indiana.

T. COLEMAN ANDREWS

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, I want to take this opportunity to call the attention of the Members of the House to a recent attack on the income tax in the U. S. News & World Report by T. Coleman Andrews, former Commissioner of Internal Revenue.

Mr. Andrews, now employed by the United States Fidelity & Guaranty Co., against which company the Government has a \$5 million income-tax claim pending, attacks in particular the effect of the income tax on high-income groups. This kind of an attack is valid and proper by any citizen but the persistent nature of this attack by a former Commissioner of the Service is certainly indiscreet and revolting.

The grave error in Executive decision was the administration's design in appointing a person to administer the tax laws of the land who did not believe in the law. This seems to be a basic policy of this administration. For the top job in the Housing and Finance Agency the administration selected the most ardent foe of public housing. It appears now that the Executive judgment in appointing T. Coleman Andrews as Commissioner of Internal Revenue was about as sound as would be the appointment of Khrushchev as Secretary of the United States Department of Defense.

T. Coleman Andrews has used his title as former Commissioner of Internal Revenue to undermine public respect for our income-tax laws. His persistent attacks raise grave doubt as to the quality of his administration of the laws which he so vehemently attacks now. T. Coleman Andrews should be called before congressional committees and give the benefit of his judgment and opinion so that they can be placed on the record. Then every phase of his work should be carefully reviewed to see how extensively his opposition to income taxes for the high-income groups was manifested through his administration acts.

THE FARM BILL

(Mr. POAGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POAGE. Mr. Speaker, I take this time to apprise the Members of the House of the fact that the conferees on the farm bill have just come to a unanimous agreement and we hope to have the bill before the House tomorrow. We also hope that there is not going to be any fight on it. The bill is not what anybody wants. Therefore it must be a pretty good bill.

PUBLIC WORKS APPROPRIATION BILL, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11319) making appro-

priations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to not more than 1 hour, one-half of the time to be controlled by the gentleman from Wisconsin [Mr. DAVIS] and one-half by myself.

Mr. DAVIS of Wisconsin. Mr. Speaker, reserving the right to object, I had understood that there was to be 1 hour on each side. That was the understanding which I had.

Mr. CANNON. In view of the insistence of the gentleman from Wisconsin [Mr. DAVIS], Mr. Speaker, I amend my request. I ask unanimous consent that general debate on this bill be limited to not more than 2 hours, one-half of the time to be controlled by the gentleman from Wisconsin [Mr. DAVIS] and one-half by myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11319, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, the committee submits to the House today the 12th appropriation bill of the session. It is a rather notable bill in that it establishes something like five exceptional records.

In the first place, it is presented considerably earlier than this bill was presented in the last Congress.

As a matter of fact, all appropriation bills have now been submitted with the exception of the legislative bill, which has already been "marked up," the mutual assistance appropriation bill, on which we are awaiting the action of the legislative committee, and the final deficiency appropriation bill. All of the annual supply bills are far in advance of the general appropriation bills in any Congress since the Congress of 1950, when we submitted them in a one-package bill and when we were far in advance of previous records. And what was more important, saved more money than had ever been saved relatively before or since.

Another feature of our appropriation bills this year is that all of them, with the exception of one bill, are below the budget estimates. In past years we have always taken pride, and the efficiency of a subcommittee chairman was always judged by the amount he cut the estimates.

However, that appears to be no particular cause for self congratulation this time for we also find that all but 2 of these 12 bills are above the appropriation for the current year. Of course, that

is the real criterion of economy. Not a comparison with the budget estimates but a comparison with same for the current fiscal year.

And as further cause for regret—and directly connected with our failure to cut below current expenditures—I am sorry to have to report that in these bills we break another record in that we have made fewer cuts and saved less money—a smaller percentage—in these 12 appropriation bills, than has ever been saved on similar bills in recent years—as a matter of fact—since I can remember. It is a real record but one of which we can hardly be proud. The total amount we have actually saved on the bills that have been submitted to the House and an estimate on the remaining three bills aggregates less than half a billion dollars. Out of a budget of more than \$50 billions we have saved only half a billion dollars, the lowest retrenchment for many years.

We have in fact been able to reduce the budget only a little more than 1 percent of all of the more than \$50 billions which have passed through our hands, and that is all the more impressive in view of the fact that the budget this year is the loosest budget, it is the largest peacetime budget ever submitted to Congress by any administration in the history of the United States.

I noticed in one of the leading editorials in this morning's Washington Post a very interesting comment on this situation in which they make this statement:

The Federal budget will be in balance when the fiscal year ends June 30.

It is in balance for the first time in the last 5 years and for the fourth time since the Hoover depression.

The editorial then goes on to say:

This is a notable achievement for which the administration deserves much credit. It has taken a herculean effort to bring the budget into balance.

I regret I have to dissent from both those statements, because this budget has not been brought into balance by any act of economy on the part of the administration at all. This administration has been spending, and is now spending more money than ever spent by any administration in time of peace.

And the editorial contradicts itself in the next paragraph when it says:

Government expenditures have been increasing in the last year.

That is true, and Government expenditures have been increasing in the last year.

It further says:

In January expenditures were estimated in advance at \$64.3 billion; now the estimate is \$65.9 billion.

They have not only spent more money than has ever been spent before, but they are spending it at a progressive ratio. They are spending more than they expected to spend last January.

This expenditure has been in the face of the fact that we have had the largest revenues in our history. The revenues this year have been in excess of the revenues of any previous year in the peacetime history of the United States or in

the history of any other country in the annals of time. That is what has balanced the budget. It is not economy. It is not a decrease in expenditures. It is through no effort on the part of the administration. It is solely due to the unexpected increase in revenues.

That increase in revenues is due to the increase in population and to the great prosperity of business and I am willing to make any concession on that count to the administration. But the glamor of that prosperity is dimmed by the destitution of the American farmer, the hardest workers and most indispensable class in America today.

If the farmer had his old time purchasing power, if he had the money he has honestly earned but not received, they would be recruiting more labor in Detroit instead of slowing production and discharging workmen. Every farmer in America needs a new car—and needs new buildings on his farm. The slowdown which has overtaken the automobile industry and the housing industry and is already spreading to national industry generally is due to this administration. No nation can live and prosper half bloated and half busted.

The high revenues which have balanced the budget are temporary. These money trees cannot bloom indefinitely, the few at the top enriched at the expense of the farmer at the bottom. And the policy of the administration in increasing expenditure when they should be retrenching and in increasing its budget simply because more money is coming in is heading toward a day of reckoning.

The administration has not contributed a dollar's worth of economy or retrenchment to the balancing of the budget. The truth is that whereas the surplus by which the budget will be balanced the 30th of June next is \$1,800 million it should have been balanced by billions of dollars that are being sunk without a trace.

And the Congress has been of no help whatever in that respect. Congress is not cutting the budget estimates. Congress is not economizing on its own account. And this bill is an example.

As we witness the stampede across the adjoining corridor to the Committee on Appropriations and listen to the demands recorded in these voluminous hearings for millions of dollars for States and districts, we like to remember that day in 1792 when Washington rode horseback from Mount Vernon to this Hill to select the location of the Capitol Building. It was perhaps a junketing trip but he paid his own expenses. And when the blueprints were being drawn Thomas Jefferson came to this Hill and said to the architect "I want to give something to the United States. I want to give something for this Capitol Building. And the Architect said Mr. Jefferson here in the foyer at the front entrance are six stone columns. You can give those if you wish. And Jefferson out of his slender purse gave the six columns which you see today as you enter through that foyer. Washington refused to accept pay as President. Franklin refused to accept money due him. Many

patriots of that day contributed whenever possible and as much as possible to this wonderful new Government—this Government of free men. Even in our day Herbert Hoover refused to accept pay as President.

They wanted to give something to the United States.

Today everybody seems to be trying to get all they can out of the United States. And they beleaguer the Committee on Appropriations like packs of wolves.

Here we have a bill giving something to everybody. And I voted for it. A year ago we thought we had a very reasonable bill. I collaborated with the gentleman from New York [Mr. TABER], and we thought we were liberal.

But the boys held a little caucus over in the caucus room in the Old House Office Building. Both sides of the aisle got together and they agreed "You scratch my back and I'll scratch your back" and they came over here and ran over us like a bunch of wild steers. You know, 2 or 3 experiences are enough. So I am going to "jine 'em." I am going to vote with them today. Let us make this bill so bad that the people will finally take note.

But I seriously doubt whether that can ever be accomplished now that the tiger has his taste of blood. What we really need is a complete revamping of the budgetary laws of the Nation which will protect Congressmen from themselves. It can be done but I doubt whether the professional spenders will ever permit it to be done.

It is more serious than we realize and it is becoming more serious every year. When men organize and gang up on the committee and the Treasury they confess the poverty of their cause. If their project had any merit it would not be necessary to trade and traffic.

We do not inveigh against any man in this House, or any man to be in this House in the future, for coming before the Committee on Appropriations and requesting an appropriation for a project in his district. That is what he is here for. He is merely performing his duty to his constituents who send him here. But I do say the rest of us ought to consider every application made by everybody from every district and say, "Now, my boy, you are on the right track, but let us be a little reasonable. We are going to have to cut you down a little bit to serve the whole country and put what little taxes are paid in where it will best benefit the most people."

Now, in this connection, may I refer to another article in this morning's Washington Post and Times Herald. This article is about and by the Vice President of the United States, Vice President Nixon, for whose philosophy all of us on this side have the highest regard. Here is what Vice President Nixon said; and I want to commend it to the Members of this House and the Members of the other House and to the people of the United States as words of the soundest wisdom in this time of great national peril. The Communists have more planes than we have. They have better planes than we have. They are making them faster than we are. If any-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of

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HIGHLIGHTS: House agreed to conference report on farm bill. Ready for President. House conferees appointed on USDA appropriation bill. House committee ordered reported bill to increase CCC borrowing authority. House committee ordered reported mutual security bill. House received conference reports on bill to facilitate completion of minor reclamation projects and bill to provide for Federal cooperation in non-Federal reclamation projects. Both Houses received USDA proposed bill on regulation of interstate movement of plant pests. House committee ordered reported bill to authorize use of CCC grain for feeding wild birds. Senate passed Johnston retirement bill. Senate committee reported Commerce (continued on page 6)

HOUSE

1. FARM PROGRAM. Agreed to the conference report on H. R. 10875, the farm bill, by a vote of 304 to 59. p. 7950 This bill is now ready for the President.
2. APPROPRIATIONS. Conferees were appointed on H. R. 11177, the USDA appropriation bill for 1957. p. 7960 (Senate conferees were appointed May 22.)
3. RECLAMATION. Received the conference report on H. R. 5881, to provide for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects. The conferees agreed to limit the application of this bill to the 17 Western reclamation States, to provide for authorization of projects by the appropriate Congressional committees, and to provide with modifications that local participating organizations not be required to contribute in excess of 25% of the reimbursable costs and that projects producing electric power conform to the power preference provisions of the reclamation laws (H. Rept. 2200). p. 7961
Rep. Aspinall requested and received permission for Rep. Saylor to file for inclusion in the Congressional Record a statement of his opposition to the conference report on H. R. 5881. p. 7963

Received the conference report on H. R. 6268, to provide for the use of appropriated funds by the Secretary of Interior in contracts for the construction of drainage works and other minor items on Federal reclamation projects (H. Rept. 2199). p. 7961

4. PLANT PESTS. Both Houses received from this Department a proposed bill to amend legislation for regulation of the movement from foreign countries into or through the U. S., and the interstate movements of plant pests; to the Senate Agriculture and Forestry Committee and the House Agriculture Committee. pp. 7894, 7970
5. CCC. The Banking and Currency Committee ordered reported (amended) H. R. 11132, to increase the borrowing power of the CCC. p. D520
6. GRAINS. The Banking and Currency Committee ordered reported H. R. 7641, to provide for the use of surplus grains to feed certain wild birds in an effort to prevent waterfowl depredations. p. D520
7. FOREIGN AID. The Foreign Affairs Committee ordered reported H. R. 11356, to extend the Mutual Security Program. p. D520
8. FORESTRY. Rep. Laird indicated that he had received support for his bill H. R. 10794, to provide for an annual report on the administration of national forests from conservation groups, and submitted a proposed amendment to his bill to require in the annual report, information on the need for reforestation. p. 7968
9. MINING. The Interior and Insular Affairs Committee reported with amendment H. R. 6501, to permit the disposal of certain reserve mineral deposits under the U. S. mining laws (H. Rept. 2198). p. 7970
10. PERSONNEL. Agreed to the conference report on H. R. 5862, to provide jurisdiction of U. S. district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. p. 7969 This bill is now ready for the President.
11. POSTAL SERVICE. The Post Office and Civil Service Committee ordered reported H. R. 11380, to readjust postal rates. p. D521
12. APPROPRIATIONS. The Committee report (see Digest 83) on H. R. 11319, the public works appropriation bill for 1957, includes the following statements:

SOUTHWESTERN POWER ADMINISTRATION

"The bill includes language providing for the use of \$6,400,000 of receipts from the sale of power for the purchase of firming energy, the rental of facilities, and the payment of wheeling charges.

"During the course of the hearings, the Committee explored extensively the possibility of service to additional preference customers, both through direct sales and through the integration of generation and distribution facilities of the potential additional customers with those of the Southwestern Power Administration. During the course of the hearings last year the Administrator used as an argument against re-implementing the original integration contracts with certain of the generating and transmission cooperatives, the hypothesis that it would take years to properly load the SPA system with additional firm power customers so that it could operate at a proper income level. These arguments failed, and this year it has become convenient for him to argue that there are now more customers than can be served, in order to

From the results already apparent, the fair was a huge success. More than 50,000 visitors, including 10,000 school pupils, toured the fair to inspect the handiwork and ingenuity of youngsters from the Tampa area during the 2½ days of exhibition.

The keen interest demonstrated by these young people in the field of science is a healthy portent for the future safety of America's world leadership in technology. The exhibits ran the gamut from simple demonstrations in nature to complicated machines, illustrating chemistry, physics, and electronics laws and principles. All the displays were constructed by students under the supervision of science teachers.

The grand-prize winner was Robert Kriska, a 17-year-old Brandon High School senior from Seffner, Hillsborough County, Fla., who produced the winning exhibit, a gasoline engine. Many of us who are many years Robert's senior know how difficult it is even to keep a gasoline engine running at times, let alone conceive and construct one from scratch.

Robert, the son of Mr. and Mrs. John Kriska, of Seffner, said this engine is the first he ever built, although he has constructed "cannons and some other things." He said he built the engine after innumerable taunts from classmates who said he could not do it. Robert was sure he could, and he did.

Robert's gasoline engine also won first place in the physics section of the fair. It received close competition from the second-place winner, a demonstration of an electrical discharge through a vacuum—the principle on which television works—prepared by Charles Negin, of Jefferson High School, in Tampa.

Third place in the physics section went to Carl Lineberger for his demonstration of the transmission of sound by a beam of light. In his experiment, Carl operated a radio with a beam from a flashlight.

More than 100 exhibits and displays were entered in competition in the Senior High School Division of the fair. In addition, junior high schools and ele-

mentary schools from all sections of Tampa and Hillsborough County entered another 100 exhibits or displays, covering the fields of botany, geology, biology, chemistry, physics, mathematics, conservation, and nature study. The entire fair testified to a keenness of mind seldom credited to elementary and high school pupils.

Rounding out the fair were exhibits by the University of Florida, the Air Force, the Army, Peninsular Telephone Co., and Tampa Electric Co., all of them pointing to the world's application of the scientific principles demonstrated in the pupils' exhibits.

I personally feel great pride in the success of the Science Fair. In keeping with the scientific theme, the fair was opened in an unusual way, in which I had the honor to participate. At Jacksonville, I pressed a button which set in motion electronic machinery opening the door to the fair in Tampa hundreds of miles away.

Plans already are underway for a second Science Fair next year. Robert J. Matthews, science teacher at Hillsborough High School and president of the County Science Council, reported:

We feel that the fair has fulfilled its purpose—to stimulate interest in science on all levels—and the Science Council is planning a bigger and better fair for next year.

Many persons should be congratulated for their hard work and hours of effort in making the Science Fair a success. A few of these are Mr. J. C. Council, president and publisher of the Tampa Tribune; Mr. V. M. Newton, Jr., managing editor; Mr. J. Crockett Farnell, Hillsborough County school superintendent; Mr. Carl D. Brorein, Sr., president of the Peninsular Telephone Co.; Col. Frank P. Bender, director of operations for the 6th Air Division at MacDill Air Force Base; Mr. G. R. Griffin, chairman of the Florida State Fair's committee on grounds and buildings; and Mr. Clyde Shaffer, staff writer for the Tribune.

Congratulations are also due members of the school section committee, headed by Mrs. Mildred Reed, Phil Rosete, and Miss Ruby Johns. Members were Robert

L. Matthews, Mrs. Margie Richardson, Mrs. Nina McLaughlin, Bernard Pritchett, Miss Eva Davis, and Mrs. Ruby Littlefield, all associated with the Hillsborough County school system.

If the Science Fair kindled the spark of interest in only one additional young heart to pursue a career of science, then it has fulfilled a worthy purpose and will result in a stronger and a greater future America.

All free Americans will agree that the answer to our present dilemma of the disappearing scientist definitely does not lie in the Russian method of forced selection and forced study. Rather, the answer for America lies in our traditional freedom of choice, whereby every young American selects his own career and his own way of life.

The Hillsboro County School Science Fair, and others like it throughout the country, will help to provide the solution of one of America's most alarming problems. We in Congress should assist and encourage projects such as this throughout the United States. In this way a great contribution can be made in the interest of our national security and welfare. Every possible encouragement and assistance to our youth is vital to the future of America.

ADJOURNMENT

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. SMATHERS. Mr. President, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate adjourned until tomorrow, Thursday, May 24, 1956, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 23 (legislative day of May 7), 1956:

RENEGOTIATION BOARD

Russell A. Stuart, of Virginia, to be a member of the Renegotiation Board.

House of Representatives

WEDNESDAY, MAY 23, 1956

The House met at 12 o'clock noon.

Rev. Edward J. Hanrahan, S. J., professor of philosophy, Graduate School, Georgetown University, Washington, D. C., offered the following prayer:

Almighty and eternal God, we acknowledge in Thee the sole source of rightful authority, the fountain whence alone flow the waters of salutary wisdom, and the one sun which diffuses the light of true justice. No creature can exercise legitimate authority, none can be truly wise or promote the cause of justice, unless it be given him by Thee to share in these prerogatives, reflecting in his own life the power, the wisdom, and the justice which are Thine. Look favorably, we pray Thee, upon the Speaker pro tempore of this legislative body and upon every one of its Members. Thou hast invested them with Thine own authority to make laws for the governance of their fellow citizens, Thy children. Do Thou also illumine their understanding with the light of that wisdom which reaches mightily from end to end, disposing all things sweetly. Let the rectitude of Thy holy will be made manifest in their deliberations and enactments. Thus helped by Thee, may they, as Thy vicegerents in our regard, procure for us our common welfare, a suitable sufficiency of the means of living, and substantial peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 11177. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG, Mr. MCCARTHY, and Mr. MUNDT to be the conferees on the part of the Senate.

AGRICULTURAL BILL OF 1956

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H. R. 10875) to enact the Agricultural Act of

1956, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore [Mr. McCormack]. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 22, 1956.)

Mr. POAGE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is not the second best farm bill that we have before us this year, as some have described it, it is probably the third or fourth best farm bill that we have before us, but it is still probably the best farm bill that has any chance of becoming law, and for that reason your conferees bring you this report.

We recommend that you adopt the report. I am not going to dwell upon all the provisions of the bill although I will hope to outline them to you. Suffice it to say that the House and later the other body expressed our preference for a firm 90 percent of parity support for those farmers who were cooperating by reducing their acreage of supported crops. The President has, however, firmly indicated that he would not under any circumstances approve a bill so firming up supports.

He did, however, go part way to meet our views in that respect. After the Congress had approved the 90-percent supports which he vetoed, he then agreed that his 75-percent support level was too low and raised the entire level of supports from 50 percent of the amount in dispute in the case of cotton to more than 75 percent of the difference in the case of commercial corn. That is, he increased the announced or expected supports on all basic commodities so as to at least approach the levels fixed by Congress. The farmers of the United States have this Congress to thank for that action. It was not taken, and it never would have been taken, had we not passed H. R. 12 and laid it on the President's desk.

I think the President's actions in connection with this farm-price problem show a complete failure to understand the purpose of the program. I believe this same lack of understanding is quite widespread even after years of discussion of the problem. I think this misunderstanding can probably be best illustrated by some of the provisions of this very report that we have before us. But, before going into some of the details, let me point out first just what we did.

The first agreement in the conference was to accept the House provisions as to the effective date of the bill. You will recall that when we discussed this bill on the floor of the House some 3 weeks ago, there was general agreement that we wanted to make the soil bank go into effect without delay. I think I am fair in saying that agreement knew no party line; that we were all agreed it should be effective immediately. When the bill reached the other body, they decided not to require the Secretary to put the bill into effect until next year and to leave to the Secretary the right to put it into effect in 1956 only when, where, if, and as he pleased. In a letter to the Senator from Vermont, Senator AIKEN, Secretary Benson indicated he probably would not put it into effect over most of the country.

Our first effort in the conference was to sustain the House position and I am glad to report that the position of the House was sustained and that we bring you a conference report which places this bill in effect the day the President signs it. That means that for all crops it is in effect this year. I recognize that for a large portion of the United States including the area where I live, most of our crops have long since been planted. I recognize that in most of the United States farmers will find it will be impossible or impractical to proceed with the soil bank at the level at which we had hoped it might be used this year. But that very fact—the fact that only a small percentage of the farmers of America will be able to use this soil bank this year—should make it possible for the Department of Agriculture to make it effective and available to those who do want to use it without delay.

I recognize that the RECORD shows a long letter inserted yesterday by the Secretary of Agriculture explaining how difficult it will be for him to put the soil bank into effect immediately; but the very arguments to the effect that a large part of the farmers of America cannot use the program this year means there will not be a large caseload burden on the Department and it should make it possible for the Department to help these farmers who are able to put land into the soil bank. So I hope there will be no excuses offered for not getting the program into effect promptly. The law says—that is if the President signs the bill it will be the law and it will say—that it is to go into effect this year, and it means in effect for everybody in the United States, including those farmers who for unfortunate reasons of adverse weather were unable to plant or to get their crops up. This bill, in plain words, says that such farmers shall have the right to put their land into the soil bank

"whether or not planted to the production of the 1956 crop" if the crop is destroyed or, in the words of the President, if it is "incorporated into the soil." It includes those farmers who have a poor stand, those who do not have a good crop up now. They can take part of that land and put it in the soil bank. It is so intended, and the bill so states in plain words. Probably the number of farmers who will desire to take advantage of those provisions is not large, but the opportunity is clearly provided by the bill. In the drought areas this may be important.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I want to congratulate the House conferees for succeeding in holding this position which was taken by the House in conference. Only yesterday I received a telegram from a well-known and experienced farmer in the southern part of my district in which he stated that if the soil bank could be assured by June 10 that he was quite confident there would be large numbers of farmers in our section of the country who would take advantage of it in the case of peanuts.

Mr. POAGE. I am sure there are, as most of the peanuts of the country are yet to be planted.

Mr. EDMONDSON. And I certainly want to express my appreciation to the conferees for their part in making this possible.

Mr. POAGE. I thank the gentleman from Oklahoma.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Kansas.

Mr. AVERY. I would like to associate myself with the remarks of the gentleman from Oklahoma. I do however have a question I would like to ask the gentleman from Texas. The gentleman made reference to farmers who did not have a good stand due to weather conditions and other circumstances being able to put a portion of that land into the soil bank this year.

Mr. POAGE. That is right.

Mr. AVERY. How about the farmer who has not planted within his allotment? I understand he has until June 1 to qualify on his allotment, but suppose he does not come under his allotment, will he be able to come under the allotment reserve of the soil bank?

Mr. POAGE. I would think that he clearly could. I know of nothing in here that would keep him from coming into adjustment even after his plow-up date.

Mr. AVERY. Assume for the sake of the argument that he was not in compliance on June 1.

Mr. POAGE. He does not have to be in compliance. As I understand it, he can come into the soil bank, although he must be in compliance before he can be paid.

Mr. AVERY. He could come in for full benefits even though he is not under his allotment?

Mr. POAGE. He can come in; but before he is paid he must incorporate his excess acreage into the soil.

Mr. AVERY. And then be treated on the same basis as though he were in compliance in the first place?

Mr. POAGE. Yes; I am sure that is right.

Mr. AUGUST H. ANDRESEN. If the gentleman will yield, was it not the opinion of the conferees that a farmer could put any of his tillable land into the soil bank?

Mr. POAGE. That is exactly right. I think I can explain the point that is troubling the gentleman from Kansas.

Mr. AVERY. I am just asking for information, not to be argumentative, but I think we ought to clear this up.

Mr. POAGE. I hope we have cleared it up. I think it is clear that before a farmer can be paid he must be complying with his acreage allotment, but I think it is equally clear that he can come into the soil bank and then come into compliance before he is paid.

Now there are some other places where our efforts at compromise were not so successful. In the case of supports on feed grain and corn and the requirements in connection therewith, the other body insisted on some provisions which I think illustrate very clearly the point I was trying to say a moment ago. There are a great many people who seem not to understand the philosophy of our whole farm program. On feed grains and on corn this House originally included in H. R. 12, the bill which we sent to the President, a proviso that if you were to get the benefits of soil bank payments on corn or on feed grains you would have to make a reduction in your acreage. In the case of corn it would be any of your tillable acreage. In the case of feed grain it had to be acres from your feed grain base. But you had to cut down your productive acres in order to get the benefits of the House bill. I think that was a very sound and salutary provision. It has always been my opinion that we should support farm commodities at substantially high prices and at firm figures. I have supported the 90 percent program. I think it is sound. But we have always connected with such supports the requirement that the individual who got that 90 percent had to contribute to the reduction of any unwanted surplus. I think that has been a good provision, I think it has been a fair trade for the farmer and for society.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Speaker, I yield myself 10 additional minutes.

Mr. Speaker, that has been a sound provision. But we have now abandoned that provision. The House did not abandon it, but after the bill H. R. 12 was vetoed the President then abandoned it and offered to growers of corn in the commercial corn area support on every acre of corn they could grow, on every bushel they could produce, without regard to their acreage allotment, without regard to marketing quotas. He said, "Grow all the corn you can and we will give you \$1.25 a bushel for it."

Obviously there was nothing this House could do about that, because the President has the right of veto and he has the right under the flexible program that some of you established here 3 years

ago, to fix supports at anywhere between 75 and 90 percent of parity and he did fix them between those two figures. We have no veto over that. But that changed the philosophy of the farm program and said, in effect, that we encourage overproduction.

So when this bill got to the Senate that body struck out these feed-grain provisions which we had retained. We had in effect said, "If you are going to get any support on your feed grain, you have got to come into the soil bank and reduce your acreage by at least 15 percent so we will not have so much of this unneeded feed." That is what our bill provided.

The Senate took that out and said, "We do not want to require of those feed-grain growers any kind of a reduction program." Do you know that one-fourth of all the tillable land in the United States is in feed grain? Frankly, I did not realize that until yesterday when the Department of Agriculture told us that 1 acre out of every 4 of tillable land in the United States is devoted to feed grain, far more than there is in commercial corn, far more than there is in wheat, far more than there is in cotton and peanuts combined. One acre out of every four is in feed grain. Yet they offered no program for this great acreage. I think that is a tragic mistake.

When the Senate took the program away from the feed-grain growers they said, and I think fairly, "If we are going to support corn at \$1.25 a bushel, even though it is produced in excess of the farmer's allotment, we must, in fairness to the man who grows barley, to the man who grows oats, to the man who grows sorghum, or rye, or corn in the noncommercial areas, say to him that he will get the same kind of support."

So the other body said to the feed-grain producers: "We will give you a support of 76 percent of parity on all the feed grain you can produce, there is no limit."

There were, I believe, 71 Members of the other body who voted for that proviso and not more than possibly some 13 against it. I hope you Members will understand the difficulty of the situation which confronted your conferees. So we cannot come back and as we would like to, claim that we brought you a victory on this item. But I do point out that in this instance we have a clear example of a failure on the part of people who should know better to understand why we have support programs. We are not offering support programs simply for the purpose of providing direct farm income, although that is important. Those of us who believe in adequate fixed supports are offering support programs with the idea of using that payment as a means of balancing our production and our markets, but this Senate provision on food grains, this Presidential idea of supporting unlimited production of corn at attractive prices certainly is far from carrying out that program.

Now, I know that immediately there are those who feel that we should have cheap chicken feed. But I want to call your attention to the basic relation between the price of feed and the price of livestock. There are those who have

made the argument—and I think in all sincerity and in all fairness—that we should not support the price of feed grains when we are not supporting the price of cattle and hogs, because they feel we would thereby aggravate the problems of the livestock grower.

My colleagues, ever since I was a small boy I have been closely associated with the cattle business. I have owned some cattle, I think, every day of my life since I was 5 or 6 years old, just a few, but I still am in the cattle business, even if it is in a very small way. I do not remember a single time in the last 50 years when the price of cattle has recovered from a slump while we had large quantities of cheap feed available. Large quantities of cheap feed always keep the price of livestock low. Cheap corn makes cheap hogs and cheap hogs make cheap cattle, and you cannot escape it. If you would seek to bring about a recovery from the disastrous prices which now face the livestock people of America, you are going to have to do something about reducing these vast surpluses of cheap feed, because they are breaking the back of the livestock industry.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I now yield to the gentleman from New York.

Mr. KEATING. I want to ask the gentleman about feed grains. The gentleman from Texas and I differ on the question of flexible and rigid supports. This is a factual question, however. It is estimated that the bill before us, before it went to conference, would have cost the dairy farmers of New York particularly in additional feed prices about \$32 million. I assume this bill would be better for them, but I wonder if the gentleman could give me an estimate, if the other bill would have cost \$32 million, what this one would cost over the present existing situation.

Mr. POAGE. In the first place, I cannot accept the gentleman's assumption that either bill would cost the dairy farmers of New York State, although, of course, I am not trying to say what is going to happen in your State. But, it does happen that I have been supporting a dairy for several years, or at least I have been paying half of the deficit that it ran, and we buy our feed. But, I do not want widespread cheap feed. Selfishly I do not want it. It destroys the price of dairy products just as it destroys the price of livestock. I want a fair price for feed, although I buy feed. I want to have to pay a fair price for feed.

Now, and I assume the dairy feed bill in New York State is not in large part determined by the price of feed grains, because I am sure he is not fattening those dairy cattle, but he is probably buying a good deal of soybean and cottonseed meal the price of which is not affected by this bill one iota, one way or the other.

Mr. KEATING. I differ with the gentleman, and I do not want to engage in an argument. What I am trying to find out is, assuming that the other bill would have cost \$32 million, how much better is this bill than that bill as far as the price of feed grains is concerned.

Mr. POAGE. I do not know. I cannot assume the things that he assumes. I feel that it is better for the dairyman, the cowman, and the hogman to all pay a fair price for feed.

Mr. ROGERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. I want to say this in the beginning, that the gentleman from Texas [Mr. POAGE], is one of the greatest champions that the American farmer has ever had. History will show that, and it will show it especially in the fight this year for a sound farm bill. I represent a district that grows a tremendous amount of feed grain. The people in my district are not satisfied with what we get out of this bill. We do not think it is fair. I am going to vote for this bill simply because we hope that we can get a little bit of relief for the stricken farmers of that area. The gentleman from Texas, [Mr. POAGE], has told you what is going to happen insofar as the livestock markets are concerned in connection with this feed grain matter. I think history will prove that he is right. But I want to say this to the gentleman from Texas, that the people of my district are deeply grateful for the tremendous fight that he has put up in their behalf and I want to say that they want him to stay in our corner so that we can continue this fight in years to come.

Mr. POAGE. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman is entirely correct in what he said in response to the question of the gentleman from New York [Mr. KEATING]. It is impossible to answer such a question because, in the first place, the assumption of the gentleman from New York, in my opinion, and I believe in the opinion of the gentleman from Texas, is fallacious.

Mr. POAGE. Yes; I think so.

Mr. H. CARL ANDERSEN. Because, after all, this is a sectional fight as far as cheap feed is concerned. We might as well recognize that. From the Midwest 23 of the 25 Republican Congressmen and 10 of the 11 Republican United States Senators voted for H. R. 12. Why did we vote for that bill? Because we recognized that it was in the interests of our Midwest States to have a fair price on our feed grains. On the other hand, all 64 Republican Congressmen from the New England area voted against the bill. This argument is simply sectional or geographic, and we might as well recognize it. I think the gentleman from Texas [Mr. POAGE] is absolutely correct when he says that if we knock the price of feed grains down, everybody is going to suffer—especially the livestock farmers whose commodity prices will follow the feed-grain prices down as they always do. I commend the gentleman from Texas [Mr. POAGE] for his understanding of this problem. Throughout his many years of distinguished service in the Congress he has demonstrated at all times

an awareness of the problems of agriculture and has been eminently fair in his approach to solutions. He has never permitted sectionalism to influence his judgment or his actions.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I want to agree with the gentleman. I think cheap feed means cheap cattle, and so forth. I wanted to ask this question. Is 76 percent parity on feed grains or 84 percent on wheat or corn considered to be cheap feed?

Mr. POAGE. I think it is going to result in cheap feed. I do not think that those figures themselves will offer very much cheap feed. But this thing is going to result this way, if I may be pardoned for saying this. During the month of October these supports are going to be very helpful, because everybody is going to find storage for his grain. Therefore he will be able to get the loans the bill promises. On the 6th day of November everybody is going to be happy. But on the 7th day of November, if we have had a good corn crop, somebody is going to haul a load of corn from Knox County, Ill., into Galesburg, probably, and he is going to be told that there is no storage. So he is going to sell that corn for \$1.15. And by Thanksgiving other farmers are going to be selling corn for \$1, and by Christmas it is likely to be down to 85 cents. That is going to be cheap feed.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I turn to section 125 in which it is stated that—

The President shall, with respect to farm-lands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price-supported crops.

In my area we have thousands of acres of land that were taken by condemnation or under threat of condemnation for flood control. Incident to the taking of the land for condemnation or under the threat of condemnation, it was agreed by the Government that these landowners who were pushed off the land would have the right to lease these lands back. It is essential to the economy of those landowners.

I have talked to a number of Members of the House and the Senate on the Committee on Agriculture, and it was their understanding that that prohibition, where it says "insofar as practicable" would not be taken as any directive to prevent the use of those lands in connection with present operations, where it was a part of the oral agreement and understanding when the land was taken by the Government.

Mr. POAGE. I understand the gentleman's question. I am familiar with his problem, and I can say that it and similar situations caused us to use this language. I think the sole intention in inserting the words "insofar as practicable" was to give the Secretary the needed authority to deal fairly with these very people and with others similarly situated.

We did not consider it "practical" to break these existing arrangements, and it is for the purpose of allowing exactly that discretion to which the gentleman refers that this language was used.

Mr. WHITTEN. I thank the gentleman, because this is completely different from the Government's owning something and then renting it out for agriculture. It is a case of taking it away from the farmer; and, incidentally, they cover these privileges, which certainly should be carried on.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. ARENDS. I am at a loss to follow the gentleman a little bit about this 90-cent corn and 85-cent corn which he said we out in the commercial corn-growing area are going to have to pay for corn next year. Under the regulations set forth the other day, I thought if I went into the program I could get \$1.50 a bushel for corn, and if not in the program \$1.25 for corn. Now we are going to 85 cents.

Mr. POAGE. You can get the higher supports as long as the storage lasts. I expect there will be plenty of approved storage prior to November 6. After the 6th day of November storage will be hard to find. I am sure the gentleman will find storage if he harvests his corn in October, but if he waits until the last days of November he probably will not find storage.

Mr. ARENDS. I am going to store it myself.

Mr. POAGE. That is fine, if you have storage, but there are lots of farmers who do not have it.

Mr. ARENDS. Tell them the difference between \$1.25 and 85 cents, and they will look for storage.

Mr. POAGE. Certainly they will. But many have looked before without success in years of large crops. The farmer who has the wealth to provide his own storage is all right. The one who does not have the ability to provide any storage is going to find himself in bad shape in November.

The gentleman from Mississippi raises a question to which I want to call attention in connection with another provision of this bill. This bill contains what is known as the Eastland amendment. That was one of the most discussed amendments, and probably aroused more widespread interest than any other amendment in the bill. The Eastland amendment attempts, and is intended, to require the Secretary of Agriculture to sell American cotton competitively on the world markets. With the desirability of that course I think I could safely say 98 percent of the Members of this House agree. I frankly do not know of anybody who does not agree with it. I agree with it.

The Secretary has always had that authority. There has never been a day that the present Secretary has not enjoyed that authority, but he has not exercised it. We suggested to him in the past that he exercise the authority he has, but he did not do so. Finally, on August 12, 1955, the Secretary announced that he would sell cotton some 5 or 6 months

hence at fire-sale rates, but that during the normally large exporting months of the fall American cotton would not be sold at world prices. No sales were made until in January 1956. At that time most of the foreign cotton had moved. In January the Secretary sold 1 million bales of American cotton without any trouble, and sold it at from 25.5 cents up to a little over 28 cents.

I think this showed rather conclusively that the world market will take American cotton if you make it competitive, but in order to get the Secretary to use his authority to sell cotton competitively, it seems necessary to direct him to do so. This amendment directs him, tells him that he must sell it competitively, and sell enough of it that he can recapture the American share of the world market, which we all agree is about 5 million bales. But we recognize that when you tell the Secretary he must continue to sell as low as anybody in the world will sell, you are doing a very dangerous thing, you are getting down to a point where somebody can bring some cotton on the market at 15 cents or 12 cents or 10 cents and that will set the world price. Obviously no one wants to do that. I am sure no Member of the Senate wanted to do that. We were assured in the conference that that was not the desire. We believe that some of this surplus cotton will sell, that it should sell, and we instructed the Secretary to sell it. Then we wrote into the statement of the managers the statement that the Secretary is not expected to have to sell this cotton so low as to disrupt world trade, or that "it is not intended that he shall be required to drastically reduce the price of cotton far below the level of prices received at the sale announced August 12, 1955." This means the Secretary must sell the cotton low enough to put it on the world market. But, if some isolated country comes along and offers cotton for 13 cents, we do not intend that the United States would have to lower the world price to 13 cents in order to meet that.

But, to make sure that the State Department does not get the Secretary to use that statement as a means of denying the maintenance of the American market, we go on and say in this same report that he retains the authority to meet any competition anywhere where he sees that it is necessary to meet it. Frankly, the language is ambiguous. We wrote it intending it to be ambiguous. No man knows what "drastically reducing" the price is. You do not know, and I do not know, and neither does Secretary Benson. But, we do know that if you are dropping the price of cotton 2 cents or 3 cents to meet world competition that it is not "drastic," but on the other hand we know that if you drop it 15 cents it is "drastic." All I want is to be sure that the Secretary is retaining our share of the world market without destroying that market. It would hardly be worth while to recapture the whole market at a dime a pound. While there are those who fear that under this provision the Secretary may economically murder some cotton growers in some other countries—in spite of the State Department—we want to be sure that

he does not force American growers to commit suicide while he is engaging in removing the possible threat from overseas. This is an amendment which should not have been necessary. It would not have been here had the Secretary been willing to use the authority he has always possessed. It is reported that it was pressure from the State Department through the White House which has made the Secretary so reluctant to act.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. AUGUST H. ANDRESEN. Due to the limitation of time, I would like to ask the gentleman a few questions.

Mr. POAGE. Will the gentleman let me finish please and I will yield the gentleman some time for himself.

Mr. AUGUST H. ANDRESEN. But I would like to hear it from the gentleman.

Mr. POAGE. Mr. Speaker, I yield myself the 5 minutes I have reserved for the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] to myself.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. POAGE] has expired.

Mr. POAGE. Mr. Speaker, I yield myself 5 additional minutes.

Mr. AUGUST H. ANDRESEN. This conference report, and I was a member of the conference committee, contains the soil bank proposed by the President, as agreed to in the conference committee on H. R. 12 and it is on a voluntary basis.

Mr. POAGE. That is right, it is voluntary.

Mr. AUGUST H. ANDRESEN. And it goes into effect in 1956.

Mr. POAGE. That is right. It goes into effect as soon as signed.

Mr. AUGUST H. ANDRESEN. The other features of the bill to which the gentleman has directed himself are mainly outside of the soil bank idea.

Mr. POAGE. That is right.

Mr. AUGUST H. ANDRESEN. What I wanted to bring out clearly is that the soil bank proposal which is contained in this bill is the President's plan and it will go into effect in 1956 on a voluntary basis.

Mr. POAGE. The only question I might raise as to the interpretation placed by my distinguished colleague is that no man knows what the President's plan for the soil bank was. At least I don't know of anyone who knows. The President talked about a soil bank but he never sent us a plan, and I do not believe that anybody can say that he did, unless it is that orphan sent up by the Secretary of Agriculture which our chairman Mr. COOLEY spoke about. That proposal is still running around over there in our committee room without anybody claiming it and without anybody putting a name on it. Unless it be that orphan that would be the only plan and the only suggestion that could be called the President's, would it not?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield further?

Mr. POAGE. I yield.

Mr. AUGUST H. ANDRESEN. I referred in my original question to the soil bank plan which was agreed to in conference on H. R. 12 and it was and is acceptable to the President.

Mr. POAGE. I hope it is acceptable to the President. He vetoed it once and I do not know whether he will veto it again or not. I hope not.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. ABERNETHY. It is also the same soil bank plan that the administration turned down last year or about 6 months ago; is it not?

Mr. POAGE. Yes; it is the same basic plan.

Mr. ABERNETHY. It is the plan which was introduced by the gentleman from Minnesota [Mr. MARSHALL].

Mr. POAGE. Yes; it was offered by the gentlemen from Minnesota [Mr. MARSHALL and Mr. H. CARL ANDERSEN] and by several Members here. I do not think anybody can claim to be the parent of this plan. Maybe next fall nobody will want to claim it—I do not know.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. AUGUST H. ANDRESEN. The plan the gentleman from Mississippi referred to was introduced by my colleague, the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and by the gentleman from Minnesota [Mr. MARSHALL]. Now that plan was turned down by the Secretary of Agriculture and not by the President; is that not correct?

Mr. POAGE. I do not think the Secretary of Agriculture turned it down without the consent of the President of the United States.

If you repudiate the President's plan you repudiate the plan of the Department of Agriculture for the President had never sent us any other than the plan he sent through the Secretary. You can either accept the Secretary as the spokesman of the President or you can repudiate him, but you cannot accept him when you want to and then say he is not the President's spokesman when it does not suit you.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I have heard the distinguished and able gentleman from Texas plead the cause of the small farmer very eloquently at times here on the floor of the House and I am wondering if the gentleman can tell me why the conferees knocked out amendment 48 authorizing production without regard to the wheat to be used by the producer on his farm for feed or seed.

Mr. POAGE. Yes; I think I can tell you, and I think the gentleman from Kansas [Mr. HOPE] told you 2 weeks ago more forcefully than I can tell you.

Mr. GAVIN. You answer it. Then you can give the gentleman from Kansas [Mr. HOPE] an opportunity.

Mr. POAGE. Yes, I am glad to answer, but I cannot yield further. I am answering, not yielding further. I am answering now, and the reason for it is

that it destroys the wheat program. That is the reason.

Mr. THOMPSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. THOMPSON of Texas. If the gentleman from Texas will explain one thing to me I think it would relieve a lot of anxiety on the part of the cotton merchants of the country. As I understand, the Eastland amendment directs the Secretary of Agriculture to maintain and extend the sale of cotton in foreign markets.

Mr. POAGE. I think it does. I tried to explain that a minute ago. I think it does exactly that.

Mr. THOMPSON of Texas. The responsibility is on the Secretary to work out a practical program?

Mr. POAGE. I think it places the responsibility right where it has always been—on the Secretary of Agriculture—but it says he "must" sell—not simply that he "may."

Mr. THOMPSON of Texas. He can either sell through the foreign markets or other means, but it is the intent of Congress that through the provisions of this bill he will restore our traditional foreign markets, without causing a disastrous downward spiral in world cotton prices. Is that correct?

Mr. POAGE. That is the intent of the amendment, and the statement of the managers is intended to prevent this very downward spiral to which you refer. Unless the Secretary uses the utmost discretion, this program could get out of hand and destroy our cotton market, as well as the foreign market.

Two more items of great importance.

This report retains or freezes the present national cotton allotments as a minimum for 1957 and 1958. That means there will be no cut on a national basis. No State can be cut more than 1 percent of its State allotment each year. This is important to all cotton farmers.

The report also freezes for 1957 the present transitional parity price for corn, wheat, and peanuts. This means that the producers of these three products will enjoy substantially higher parity next year than otherwise.

In fairness to producer and consumer alike, it directs a study of the whole definition of parity with a view to trying to get agreement on one formula which can be universally accepted as fair and reasonable.

The Senate has already accepted this report. I believe the President will sign this bill if you will but send it to him.

The SPEAKER pro tempore. The gentleman from Texas has consumed 35 minutes.

Mr. HOPE. Mr. Speaker will the gentleman yield for a consent request?

Mr. POAGE. I yield to the gentleman from Kansas.

Mr. HOPE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. JENKINS] may extend his remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. JENKINS. Mr. Speaker, throughout my long service in the House I have consistently supported sound, progressive farm legislation. The district which I have the honor to represent is a diversified farm area, producing the usual grains, dairy products, fruits, and vegetables. During the past few years I have been greatly concerned about farm commodity surpluses which have naturally brought about a reduced price for the products which the farmer sells. This, combined with the fact that costs for equipment, supplies, and so forth, which he buys have increased has placed the farmer in an unfavorable economic position. As I see it this situation had its beginning in our wartime economy and was not adjusted when the transfer from wartime to peacetime was made.

The present administration under the able leadership of President Eisenhower has urged legislation designed to solve these farm problems. Today we have before the House the final draft of some of the major proposals he has recommended in the form of a conference report. I have studied it carefully and feel that it is good legislation and am supporting it, wholeheartedly. I feel sure that when this program is enacted into law and put in operation the plight of the farmer will be improved and the economy of our country will be improved.

(On request of Mr. HOPE and by unanimous consent the gentleman from New Jersey, Mr. WOLVERTON, was allowed to extend his remarks at this point in the RECORD.)

Mr. WOLVERTON. Mr. Speaker, this conference report which expresses unanimous agreement between House and Senate conferees brings to an end, for a time at least, the controversy that has been taking place with reference as to what shall be our farm policy.

There can be no doubt of the fact that our prosperity as a Nation depends upon prosperity of the farm as well as of industry. There is much truth in the old saying, "We all go up or we all go down together." Too often there are individuals who think and act on the theory that prosperity in either one or the other activity is sufficient to give full national prosperity. Nothing could be further from truth, and, no greater mistake could be made than to favor one and ignore the other. Our policies must be based on the theory that there must be mutuality of prosperity. Consequently, we cannot ignore either agriculture or industry in our planning for a prosperous America. The greatest care must be observed to make certain that what we do with good intent for the advancement of one will not result in an unintended harm to the other. Thus, it is necessary to maintain a balance as between the two that will work to the advantage of each without harm to the other. To accomplish this has made the consideration of farm legislation one of the most controversial and difficult of solution that has faced the Congress for many years. Of course, added to the usual difficulties of providing a farm policy that will be helpful to the farmer, and not detrimental to the worker in

industry, has been the complexities growing out of a national election.

The usual and natural difficulties in determining what is fair and just to all segments of our people in determining a farm policy is enhanced in an election year, particularly in a presidential-election year, because of the political significance attached to it. Both political parties examine all proposals from the standpoint of what will be the effect on the voters. This will, of course, differ in different portions of the Nation according to whether agriculture or industry predominates.

Thus, this year there was an insistence upon the part of some that the farm bill should favor the farmers of the Midwest, South and Southwest because of the importance of the vote in those sections in the coming national election. And, with much truth, illustrations were given that the loss of this vote could be disastrous to one or the other of the political parties, as evidenced by past results.

It is unfortunate that in considering this possibility that too often, and, this year was no exception, the greatest consideration was given to the agriculture interest in the Midwest, South and Southwest, with practically no thought of the effect on the industrial East, nor the effect on the farmer of the East. In fact, it seemed that no consideration was given to the farm areas of the eastern portion of our country.

The Agriculture Committees of the House and Senate are predominantly from the West and South. They used their power and wrote a farm bill that would be helpful to them without regard to its adverse effect elsewhere.

The first farm bill as presented to the House was highly beneficial to the Western farmer. It was evidently assumed by the Agriculture Committees of both House and Senate that they could go the limit in this respect without incurring a Presidential veto. They considered it as highly unlikely that President Eisenhower would veto the bill even though he might not be in favor of it as drawn. In other words, he would be so conscious of the detrimental effect a veto would have on the votes of the Western farmers that he would not dare to veto it. But, they reckoned wrong. President Eisenhower did veto it and in a strong message told the Congress why he did so. He pointed out in detail what was wrong with the bill and the injustices it contained. When he vetoed the bill his opponents thought they had him in a hole from which he could not extricate himself, and, that he had lost the support of Western farmers in the coming election.

But, he soon proved that this sort of reasoning was wrong. When the President explained the circumstances, the farmers of the West showed in the primary elections subsequently held in their States that they would not be shaken in their allegiance to the President. In State after State they showed that they still were strongly back of his candidacy. All of this brings out two very important points that give a feeling of gratification because they demonstrate that our country is safe when citizens are willing,

first, to overlook personal interest and think in terms of our country's good; and, second, admire that type of political courage evidenced by President Eisenhower in vetoing a bill he thought was wrong without regard to the detrimental effect it might have on his candidacy. That, in my opinion, is the kind of man to have as President, and, the kind of citizenship that gives strength to our Nation.

Now, what is the result? The result is this conference report that brings to us a new bill without the objectionable features in the original bill to which the President objected, and that contains features and policies that are part of the President's plan, namely, and particularly, his soil-bank program. While it does not permit as full use this year as desired, yet, the fact remains the plan is adopted and will prove highly beneficial next year to the farmers who come within its provisions.

Thus, all of us, farmers as well as every other class, can give thanks that we have a President who has the courage to stand up for what he thinks is right, regardless of any danger to his political future.

(On request of Mr. HOPE and by unanimous consent, the gentleman from Minnesota [Mr. H. CARL ANDERSEN] was allowed to extend his remarks at this point in the RECORD.)

Mr. H. CARL ANDERSEN. Mr. Speaker, I intend, of course, to vote for the conference report which the other body has already approved. It offers the only means of enacting the soil bank into law, and that is an important objective.

Conference reports being based on the resolution of legislative differences between the House and Senate, they invariably involve compromises of one kind or another. This report is no exception. I feel, personally, that the degree to which we have yielded on the feed grain provision is unduly harsh on my section of the country, but we do want the soil bank and this seems to be one of the prices we have to pay for that program.

In voting for this conference report, I am not receding at all in my position that supports at 90 percent of parity on the basic storable commodities would be in the best interests of the Nation. Neither am I conceding that this bill in its present form is entirely acceptable to me. It is not, but I recognize that it is the best we can do under the circumstances and so I am constrained to go along with it.

It has been established by the record and confirmed by those responsible for this legislation that the soil bank had its origin in the Congress at my hands. Had it not been for a legislative stratagem on the part of the majority leadership in the House of Representatives the other week when this very bill started on its way to final approval, a similar bill bearing my name would be before us today. In recognition of my authorship of the original soil-bank proposal, the minority leadership had selected my bill as the administration measure and was prepared to press for its enactment.

As I have said, this bill is far from perfect and falls short of what I had

hoped we would finally enact. However, it is a beginning in an important venture which offers much hope to our agricultural economy and we can perfect the basic legislation in the next Congress after we have gained some valuable and necessary experience.

This soil-bank proposal has had an interesting history. Like the pilot watershed program, it actually had its legislative origin in my Subcommittee on Appropriations for Agriculture.

The following is quoted from the hearings on the Agriculture appropriations for 1957:

Mr. WHITTEN. I would like to make this comment: I think the gentleman from Minnesota deserves to have this statement made in the record:

The gentleman from Minnesota [Mr. ANDERSEN] was chairman of this subcommittee for several years, and while he was chairman, and upon the initiative of the subcommittee under his chairmanship, the watershed program was started. That program has spread and now has general acceptance and is supported by an overwhelming majority of the whole Congress, and I think of the whole country. Not only that, but the soil-bank idea insofar as I know was first brought to the forefront in the Congress in a bill introduced by the gentleman from Minnesota, Mr. ANDERSEN, and he was joined in that legislation by his colleague on my right, Mr. MARSHALL.

There has never been any better friend of agriculture than CARL ANDERSEN in many, many ways, and in many, many fields, but insofar as these two particular things are concerned, he was out in the forefront ahead of any other Member of the Congress, and I think it only fair that the record should show that.

I am most appreciative of those remarks by the chairman of my Subcommittee on Appropriations for Agriculture, the gentleman from Mississippi [Mr. WHITTEN], who has followed closely the development of this legislation and has demonstrated his usual sense of responsibility and fairness in the statement just quoted.

Many references have been made to the fact that I first urged the Secretary of Agriculture early in 1954 to give serious consideration to the soil-bank idea. Much has been made of his reluctance to give the idea such consideration, but I think that is all beside the point today.

We again discussed the soil bank on May 1, 1956, when the Secretary appeared before my subcommittee, and he confirmed the fact that I had been the first Member of Congress to ever discuss the soil bank idea with him—even before any bills had been introduced on the subject. On page 1550 of those hearings, you will find the following statement by the Secretary relative to my references to the soil bank:

Secretary BENSON. However, I do not recall having heard any Member of Congress mention the soil bank or soil fertility bank idea before I heard you mention it. I think that was the first official mention I had heard of it from a Member of the Congress, as I recall it.

I am proud, and I believe justifiably so, in the contributions I have made to agriculture in general and to conservation in particular in almost 18 years as a Member of the Congress. As my dis-

tinguished colleague the gentleman from Mississippi [Mr. WHITTEN] has said, two of the most significant measures—the pilot watershed program and now the soil bank—grew out of my efforts. We have seen the pilot program and later the general watershed program prove both their popularity and value in actual practice. It is my most fervent hope that the bill we approve today will mark the beginning of an extensive soil bank program that will prove equally beneficial to American agriculture.

Aside from the relatively minor deficiencies in the soil bank bill itself, Mr. Speaker, my only regret is that we will not see this great conservation and production-balancing program accompanied by a companion measure restoring price supports on the basics at 90 percent of parity. Half a loaf is better than none, and we will take the half a loaf here today.

President Eisenhower has encouraged us greatly by the recognition he has given our cause in his action raising the price supports on corn, for example, to 86.2 percent of parity. After all, we are only 3.8 percentage points apart and he has completely punctured the arguments against our stand. We may hope, at least, that our fortunes have passed their ebb and we now begin the march toward our goal of equality of treatment for the farm families of the Nation.

With good administration and prompt action by the Congress to correct defects as they become apparent, the soil bank will do much to help achieve the balance between production and consumption we seek for agriculture. Once we have achieved that essential balance, I confidently predict that we will have heard the last of these deplorable arguments over price support levels under farm produced commodities. We can then turn our efforts to the fundamental purposes of all price support programs—the orderly marketing of our abundance and the prevention through the loan mechanism of price drops at harvest time below parity.

In good faith, I shall vote for adoption of the conference report. In equally good faith, I remind you that it is far from perfect and we shall persist in our efforts to correct its defects and to enact other sorely needed legislation to bring agriculture to its rightful position where it will enjoy a fair share of our otherwise booming economy. We ask no more than a fair share, but we do insist on that.

Mr. POAGE. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

(Mr. HESELTON asked and was given permission to revise and extend his remarks.)

Mr. HESELTON. Mr. Speaker, I recognize the importance and great value of the efforts of some of our colleagues to develop a sound agricultural program in this session of Congress.

Obviously, if any legislation is to become law during this session, compromise of conflicting opinions is essential. No one has done more toward the objective of a sound program than the ranking member of the House committee and of the conferees, the gentleman from

Kansas [Mr. HOPE]. I regret very much that he is leaving this House at the end of this year but I am certain that he will continue his keen interest in this vital field of congressional responsibility and that he knows that the respect and admiration of his colleagues will continue in whatever he does.

Consequently, I regret that, out of justice to my constituents, my study of the conference report compels me to vote against it. I cannot outline my reasons in the limited time I have, and which I appreciate, but I have prepared a statement which I shall include with these brief comments in my extension in the RECORD.

I hope there will be a rollcall so that those who may not approve of the conference report will have at least that means of expressing their disapproval. If no one else asks for such a rollcall vote, I shall do so.

The full statement, to which I have referred, follows:

My study of this conference report leads me to the definite conclusion that I cannot support it.

However, I do want to say that in the process of legislation and in making the concessions which are inevitable if a law is to be enacted, most of the conferees have earned the appreciation of Members of this House and of their constituents.

In my judgment, it is regrettable that the conferees from this House could not have included at least one representative of a very important, but unrepresented, segment of agriculture, particularly in the northeastern part of the country, and who could have presented also the point of view of the consumers of this country. That segment of agriculture has benefited little from the agricultural legislation of recent years. Actually it has suffered because of such legislation and I believe it will be injured further by certain provisions in this pending conference report. I refer definitely to the provisions as to price support for feed grains. In my judgment, that will mean a higher, artificial price for feed grains. If so, it will injure all deficit feed areas, including specifically the Northeast.

I am convinced that if agricultural legislation continues to neglect or minimize this segment of agriculture and the consuming public, two very important portions of our population, and to emphasize primarily the interests of that portion of agriculture, which, willingly or unwillingly, has contributed to the overriding problem of unmanageable surpluses, a reaction will be inevitable, even though it may also be unfortunate.

I am certain that most of us recognize that agriculture occupies a vitally important part of our national economy and that, because of the nature of agricultural activities, some national policy and program in this field is most desirable. A complex and difficult problem is involved and both President Eisenhower and Secretary Benson have done their utmost to bring about a sound solution. While it may seem to be popular among certain groups and perhaps politically profitable in certain local areas to have opposed the President and Secretary

Benson, it may well turn out to be both shortsighted and highly dangerous. Those who are content to represent and devote themselves solely to the interests of wheat, corn, cotton, rice, peanuts, grain sorghums, barley, rye, oats, and some few other agricultural products, may bring down upon their own heads the ultimate reluctant repeal of a large part of existing agricultural legislation. I am firmly convinced that members of the National Farm Bureau and of their State and local organizations not only recognize this possibility but have made a most significant contribution in an effort to develop a sound program. Some other groups have made some contributions toward this effort but, unfortunately, none of them have even approached the sincerity and vigor of the efforts of the Farm Bureau. A few have taken a most selfish and shortsighted position, which, in my opinion, is a clear disservice to agriculture, as a whole.

I believe that most of the conference report is a marked improvement, not only over the legislation which the President vetoed earlier but over both the House and Senate versions of H. R. 10875. It seems probable that the House this afternoon will join the other body in approving the conference report, and, if this is the case, its enactment into law, for the time being, may be necessary under all the circumstances.

However, because I am personally convinced that the conference report definitely neglects the legitimate interest of important segments of agriculture, particularly in the Northeast, and ignores almost completely the interests of the consumers and general taxpayers, I cannot join in supporting it. I hope there will be a rollcall so those who may not approve of the conference report will have a clear opportunity to express their dissent. In any event, I shall ask for such a rollcall, if no one else demands it.

I cannot conclude this explanation of my personal position without referring to two developments yesterday:

First, there was the bitter and thoroughly unjustified criticism of Secretary Benson. This was highlighted by the resort on the part of some of these critics to mutual admiration and self-congratulation, which was ludicrous, to say the least.

Second, there was the clear notice on the part of a few who have resisted tenaciously and consistently the efforts to make any improvement in agricultural legislation in recent years. It is all summed up in one sentence, as follows: "Although we lost this year, we will continue to fight another year." That declaration of purpose is clear notice that a few are quite willing to burden this Nation with an agricultural program which has been demonstrated as unsound, quite irrespective of the honest efforts by many others to develop a program which can be supported by reasonable and intelligent people, whether they are engaged in agriculture or not. I hope and believe that the good judgment of an overwhelming majority of the farmers of this country will lead them to continue their support of the President and Secretary Benson in their

efforts to bring such a program into existence in the near future.

The gentleman from New York [Mr. KEATING] asked a reasonable question as to how much additional this feed grain provision would cost the dairy farmers of New York State, referring to the estimate of \$32 million annually made at the time the legislation, which was vetoed, was before us. I heard no one reply specifically to his question. But I doubt if anyone would deny that this provision in the conference report will impose upon the dairy farmers of New York State several additional millions of dollars each year as long as it prevails as law. It certainly will amount to much more than \$32 million added costs annually for such farmers in the States of Massachusetts, Maine, New Hampshire, Vermont, Rhode Island, Connecticut, Pennsylvania, and New Jersey, all deficit feed areas, as is New York.

Beyond that will be millions of more dollars annually for all those who are engaged in poultry raising in New England, New Jersey, New York, and Pennsylvania.

Frequently it is thought by some that agriculture in the Northeast is unimportant.

A few comparative statistics illustrate how fallacious such a conclusion is.

In 1952, the last date available, there were 3,036,000 milk cows on farms in the Northeast.

At that time, there were 2,316,000 milk cows on farms in the 5 States of Texas, Louisiana, Mississippi, Alabama, and Florida, or 720,000 fewer than those in the Northeast.

In 1954, the preliminary statistics showed 80,532,000 chickens on farms in the Northeast.

In that year, there were 60,533,000 chickens in the 14 States of Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, and Oklahoma.

It is not difficult to compare the benefits which have been paid under Federal law in years past in these States or to estimate those which would be paid there under the terms of this conference report.

I regret that there should be any feeling that objections to this report are not valid. But I do believe that those who cannot support it have a clear right to call attention to the inequities involved and to continue to urge that they be removed promptly from the national agricultural program.

Mr. POAGE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. The gentleman from Texas [Mr. POAGE] has made an excellent presentation of the problem before us. The pending conference report on the farm bill is very inadequate and disappointing. By no means does the bill meet the needs of the American farmer, but this is in no sense a criticism of the House conferees. Of course, there is no time now for the discussion of details.

I fully realize that the House conferees have struggled hard and sought

to get a measure that would meet the requirements of American agriculture. However, throughout this long controversy over farm legislation they have met with many obstacles, including a Presidential veto.

I have taken the floor to make particular reference and inquiry as to the feed grain provisions of the bill.

I recognize the difficulties confronting the conferees on the part of the House and I know they share the disappointment which many of the rest of us have in regard to the feed grain provision and in regard to some of the other provisions.

If I might have the attention of the gentleman from Texas [Mr. POAGE] I would like to inquire as to what the prospects seem to be in regard to the possibility of securing a feed grain provision in the law during the next session? We had felt rather confident of something more permanent at this session. I realize this is speculative but I wonder if the attitude seems to be such that we might hope for some workable control program and a higher support level on feed grains in legislation in the future.

Mr. POAGE. I am afraid I cannot fully answer the gentleman's question. The only information I could probably give the gentleman is as to the attitude of members of the Committee on Agriculture. I think the attitude of the members of that committee would be to provide a feed grain program such as we have hereto approved on two previous occasions this session. I think we would probably approve similar legislation next session. I could not predict the attitude of the other body or the attitude of the public in general. The gentleman has as much information on that as I have. I can only speak for myself—I favor the type of feed grain program which the gentleman supports. I believe my committee feels the same way.

Mr. MAHON. One thing that concerns me and I think concerns the gentleman from Texas [Mr. POAGE] is that under the feed grain provision the production could possibly be so great this year it would make it more difficult to have a satisfactory feed grain program in 1957.

Mr. POAGE. It is going to make it more difficult, yes, because we will have to start next year with a much larger surplus than we would have had had the House program been put into effect this year. Had it been in effect this year the difficulty next year would be less.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, when the agricultural bill was before the House several weeks ago we brought to the attention of the committee the wheat situation as it pertains to the small farmer, the little farmer, that was restricted to growing 15 acres of wheat even though it was for his own use on his own farm. If he grew more than 15 acres he was penalized. There were some 737 cases in Pennsylvania that were notified that they grew more wheat than

permitted and would have to pay a penalty. Six hundred and seventy-five satisfied their penalty either by storage or by the payment of the penalty. There are 62 cases still unsettled, 47 of which are in hands of attorneys of the Department of Agriculture. I want to ask my friend from Texas a question. My very good and able friend is always weeping copious tears on behalf of the little farmer, the small farmer, and over here on my side also, I hear about the little farmer and the need for interest and help for the little farmer. The gentleman from Texas, in reply to a question asked a while ago as to why some relief was not given the little farmer on this matter said it would wreck the wheat program. But I notice here in the report that over in the upper body they did pass an amendment which would have corrected the injustice. It says here:

Amendment No. 48, authorizing production without regard to quota of wheat to be used by the producer on his farm for feed or seed.

If this would wreck the wheat program why is it that the other House offered and passed the amendment? Evidently the House conferees in conference knocked it out. So my friends, why are you always crying about the need to help the small farmer? You had an opportunity to help the little farmer by the conferees accepting the amendment of the other body but you knocked it out, thereby protecting the big commercial farmer and compelling the little farmer to buy the production of the big commercial farmer to meet the requirements of his little farm.

Now, this amendment had some weight, and it was given every consideration over in the other body. Evidently the other body did not think it would wreck the program. You gentlemen in the House said several weeks ago that you were going to give some consideration to this matter, but when you had a chance to give it some consideration, you blocked it out.

Now, I would like to ask my friend the gentleman from Kansas [Mr. HOPE], the ranking minority member of the Agriculture Committee, what he has to say as to reasons for taking out this Senate amendment, so that we have the thinking from the gentlemen on both sides of the aisle. In fact, I want to congratulate this coalition; you certainly look after your own sections. I hold no brief, mind you, for Republicans or Democrats. You have all had your noses in the trough on these subsidies and protective programs, and you like them, and there is no way to secure consideration for the little farmer as long as you are handling the agricultural legislation. I will be glad to have your answer.

Mr. HOPE. Mr. Speaker, if the gentleman will yield, I will say to the gentleman that the same rule applies to his farmers that applies to the Kansas farmers as far as wheat is concerned. They are entitled to an acreage allotment based upon their past acreage. If they have grown 100 acres of wheat on their farms in the past, their acreage allotment is based on that just as it is on the Kansas farm, or 50 or 10 or 5.

But, in addition to that, we are giving the gentleman's farmers an additional bonus, because if they had never grown an acre of wheat on their farm before, at a time when all other farmers are restricted now, they can grow 15 acres of wheat without any restrictions whatever. So, the gentleman's farmers are being treated better than any other farmers in the country.

Mr. GAVIN. The little farmer says that is not enough wheat to use on his own farm. He wants to raise more to use on his own farm, not to sell in the commercial market but just for his own use on the farm, therefore, I argue that if he accepts no subsidies or gratuities, he does not want to be restricted or regimented as to what he may grow for his own use. If he had accepted subsidies or gratuities from the Government, it would be different. He owes the Government nothing. He just wants to raise enough on his own farm for his own use, and he cannot understand why you put a restriction on him and regulate him. I realize it would disturb the big commercial wheat producers in the West, because the little farmer is now compelled to buy his wheat if he needs it, and therefore you are not going to give him an additional 5 or 10 acres to grow enough wheat to use on his own farm. I think it is unfair. I think an injustice is being done to the small farmer. And why you do not give him an opportunity to prosper along with the big commercial farmer I cannot understand. So in view of the fact that you are always shedding tears about the little farmer and I hear it time and again: "We want to help the little farmer," but when you get a chance to help the little farmer, you certainly do not give him the consideration he is entitled to. He is a little farmer and he is brushed off just as you brushed off the Senate amendment which would have helped him. You tell him the Government will not permit you to grow more than 15 acres, and if you do, you are going to be penalized and you will have to pay the penalty. So, I say, here was a chance to help the little farmer but you turned him down. Somebody in the other body did not think it would wreck the program, because it was a good amendment, but the House conferees evidently said, "No, no. We cannot accept that." So you knocked it out. And, that is the reason I am calling it to your attention today, because I think you have not given the proper consideration to the amendment to which it was entitled. It is an inequitable situation for the little farmer who is just asking to grow enough wheat for his own family use and the matter should be corrected.

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Speaker, I do not think it would be right for this discussion to end without pointing out to the House that the original program that was submitted to the Secretary of Agriculture by the feed grain people was in keeping with what the President of the United States said he wanted; that is, to reduce surpluses without additional cost to the Government. The feed grain

people offered to the Secretary of Agriculture and to the President of the United States a program, with a voluntary layout of 15 percent for which they received no pay whatever, from any soil bank or any other source. This was turned down by the Secretary of Agriculture or, let us say, he refused to recommend it. Then at our request, the Senate included us on that basis, but this was subsequently changed and we were included in the soil bank, in the acreage reserve. Then we were taken out again and then we were put back in and then the President vetoed us out.

We came back to the House and were included in the new bill. Then we were taken to the Senate and we got kicked again clear out of the bill. We finally got back in for just a small percentage of increase insofar as parity is concerned, which will be a little token this year, just a small token. We were told that there was no limitation on production and that this should help.

The entire proceedings have placed us in a rather difficult position to understand the thinking of this administration when they say they want to stop surpluses and we come in and say we are willing to stop surpluses with no cost to the taxpayer whatever. We are willing to lay this land out voluntarily. But the administration says we are not going to let you do that at all. We want you to plant and produce all you can, even though we know it might create a surplus and cause hardship in feed grain areas and ruin the possibility of a sound program next year.

It appears that someone is not being at all consistent.

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Speaker, there is need for clarification of this section 125 of H. R. 10875 as changed in the conference. This section relates to the leasing of Government-owned farmland. It says:

The President shall, with respect to farmlands now or hereafter owned by the Federal Government restrict insofar as practicable the leasing of such lands for the production of price-supported crops.

The words "agricultural commodities" were stricken. I should like to ask the gentleman from Texas why "agricultural commodities" was stricken.

Mr. POAGE. The reason for striking that out and inserting "price-supported" crops was that there was a feeling that if we left the wording as it was, it would be necessary to cancel all of the grazing leases in the West, because there is no question that livestock is in surplus at the present time. But we did not feel that this bill justified canceling all those grazing leases. That is primarily the reason for making the change, but the conferees clearly had no idea of considering wool as a "crop". Wool is indeed price supported, but we were thinking of "crops" as vegetable products—not livestock. Of course, as the provision now stands it means primarily the basic crops, but would include, as the gentleman from Texas has referred to it, grain sorghums, but it will not include live-

stock products, and it was not intended to do so.

Mr. DIXON. That is what I wanted to hear; it does not include grazing lands on which cattle, sheep, or dairy herds are sustained.

Mr. POAGE. That is the reason for making the change.

Mr. DIXON. Seventy-two percent of our State is Government owned. If more than two-thirds of our State had been wiped out of production for grazing livestock it would have done irreparable harm. I express appreciation of the action of the conferees in making this beneficial change.

Mr. POAGE. Mr. Speaker, I yield myself 1 additional minute to explain that part of the statement of the managers, which makes reference to what we call spotted cotton. There is nothing to be found in the bill, as agreed on, which directly relates to spotted cotton. The reason for that is that the conferees, after considering it, felt that there was no necessity for putting such a provision in the bill because the Secretary now has adequate authority to make loans on spotted cotton and on the same basis of discounts as those on which the trade buys this type of cotton. It was the intent of the conferees that the Secretary should make loans on the same basis and with the same price differentials between white and spotted cotton as are recognized by the trade. But we felt it was unnecessary to give the Secretary new authority—he has the authority now. On the contrary, we felt that if we called this authority to his attention, and pointed out that we wanted him to use that authority that he would do so without compelling the Congress to write further directive legislation like we were forced to do in the Eastland Amendment.

We have made this clear in the statement on the part of the managers in connection with this conference report just as we had previously done in the similar report on H. R. 12. Further, the chairman of our committee made the position perfectly clear on the floor of this House when this bill was before us for consideration.

The Department has in the past reduced its loans on "lights pots" just as much as it has on "heavy spots." This has resulted in unwarranted losses to cotton growers. We expect this practice to be corrected in keeping with the statement of the managers which was agreed to by all of the conferees.

Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Speaker, this Congress has struggled with this farm legislation for a good many months now. We are approaching final action apparently with what I hope will be approval of this conference report which is before us today.

I have asked for this time in order that I might make an inquiry of the gentleman from Kansas [Mr. HOPE], the ranking Republican member of the conference committee, with respect to corn acreage allotments. I recall that in a previous bill which was before us, the acreage allotted for corn was increased from 43 million to 51 million acres. I would like to ask the gentleman from Kansas [Mr.

HOPE] if that presently is in the conference report.

Mr. HOPE. That provision is in the conference report; that is, it is in the bill. It was not disturbed by the Senate. It is still in this bill and not affected in any way.

Mr. DOLLIVER. Does that acreage allotment apply to all of 1956?

Mr. HOPE. It does apply to 1956.

Mr. DOLLIVER. I thank the gentleman.

(Mr. DOLLIVER asked and was given permission to revise and extend his remarks.)

Mr. POAGE. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, referring to page 4 of the report, relating to the export sales program for cotton, as I read it that gives the Secretary of Agriculture the power to dump cotton on the world market. Dumping cotton on the world market is a violation of our reciprocal trade agreements. How can he dump it if we are violating our own agreements?

Mr. POAGE. I am sure the Secretary of Agriculture will not violate any of the agreements of the United States, but I think if the gentleman will read my remarks in the RECORD tomorrow, he will find that I discussed that very matter for about 20 minutes. I believe it will give him full understanding.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. POAGE. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, I have been asked a question in regard to the grazing of cattle on lands that belong to the Federal Government. That would apply to sheep as well as cattle, would it not?

Mr. POAGE. Yes; sheep, goats, or jackasses, or any other animals.

Mr. HILL. It also applies to your type of sheep in Texas that produce mohair?

Mr. POAGE. Goats, yes; it applies to them, too.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. POAGE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HESELTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 304, nays 59, not voting 70, as follows:

[Roll No. 54]

YEAS—304

Abbitt	Alexander	Andersen,
Abernethy	Alger	H. Carl
Addonizio	Allen, Calif.	Andresen,
Albert	Allen, Ill.	August H.

Andrews	George	Murray, Tenn.
Anfuso	Gordon	Natcher
Arends	Grant	Nicholson
Ashley	Gray	Norblad
Ashmore	Green, Oreg.	Norrell
Aspinall	Griffiths	O'Brien, Ill.
Auchincloss	Gross	O'Hara, Ill.
Avery	Hagen	O'Konski
Ayres	Hale	O'Neil
Baker	Halleck	Pelly
Baldwin	Harden	Pfost
Bass, Tenn.	Hardy	Pilcher
Bates	Harris	Poage
Baumhart	Harrison, Nebr.	Poff
Beamer	Harrison, Va.	Polk
Belcher	Harvey	Powell
Bennett, Fla.	Hays, Ark.	Preston
Bennett, Mich.	Hays, Ohio	Price
Bentley	Hayworth	Prouty
Betts	Healey	Quigley
Blatnik	Henderson	Rabaut
Blitch	Hiestand	Rains
Boggs	Hill	Reece, Tenn.
Boland	Hillings	Rees, Kans.
Bolling	Hinshaw	Reuss
Bolton,	Hoeven	Rhodes, Ariz.
Francis P.	Holland	Rhodes, Pa.
Bonner	Holmes	Richards
Bow	Holtzman	Riley
Boykin	Hope	Rivers
Boyle	Horan	Roberts
Bray	Hosmer	Robeson, Va.
Brooks, La.	Huddleston	Robson, Ky.
Brooks, Tex.	Hull	Rodino
Brown, Ga.	Hyde	Rogers, Colo.
Brown, Ohio	Ikard	Rogers, Mass.
Brownson	Jackson	Rogers, Tex.
Broyhill	Jarman	Rooney
Buckley	Jennings	Roosevelt
Budge	Jensen	Rutherford
Burdick	Johansen	Sadlak
Burleson	Johnson, Wis.	Schenck
Burnside	Jonas	Schwengel
Byrnes, Wis.	Jones, Ala.	Scott
Cannon	Jones, Mo.	Scrivner
Carnahan	Jones, N. C.	Seely-Brown
Carrigg	Judd	Selden
Cederberg	Karsten	Sheehan
Celler	Kearns	Short
Chase	Kee	Slier
Chelf	Kelley, Pa.	Simpson, Ill.
Chenoweth	Keogh	Simpson, Pa.
Chiperfield	Kilday	Sisk
Christopher	Kilgore	Smith, Kans.
Church	King, Calif.	Smith, Miss.
Clark	Kirwan	Smith, Va.
Clevenger	Klein	Smith, Wis.
Colmer	Kluczynski	Spence
Coon	Knox	Springer
Cooper	Knutson	Staggers
Cramer	Krueger	Sullivan
Cunningham	Laird	Talle
Curtis, Mo.	Landrum	Thomas
Davis, Ga.	Lanham	Thompson, La.
Davis, Tenn.	Lankford	Thompson, N. J.
Davis, Wis.	LeCompte	Thompson, Tex.
Dawson, Ill.	Lesinski	Thompson, Wyo.
Dawson, Utah	Lipscomb	Tollefson
Dempsey	Long	Trimble
Denton	Lovre	Tuck
Devereux	McConnell	Tumulty
Dies	McCormack	Vanik
Dingell	McCulloch	Van Pelt
Dixon	McDonough	Van Zandt
Dollinger	McDowell	Vorys
Dolliver	McGregor	Vursell
Dondero	McIntire	Walter
Dorn, S. C.	McMillan	Weaver
Dowdy	McVey	Westland
Edmondson	Machrowicz	Whitten
Elliott	Mack, Ill.	Wickersham
Ellsworth	Madden	Widnall
Evins	Magnuson	Wier
Fallon	Mahon	Wigglesworth
Feighan	Marshall	Williams, Miss.
Fenton	Martin	Williams, N. J.
Fernandez	Mason	Willis
Fisher	Matthews	Wilson, Ind.
Flynt	Meader	Withrow
Flood	Metcalf	Wolcott
Forand	Miller, Md.	Wolverton
Ford	Miller, Nebr.	Wright
Forrester	Mills	Yates
Fountain	Minshall	Young
Frazier	Mollohan	Younger
Friedel	Morgan	Zablocki
Fulton	Moss	Zelenko
Gathings	Multer	
Gentry	Murray, Ill.	

NAYS—59

Cretella
Crumpacker
Curtis, Mass.
Dague

Delaney	Keating	Radwan
Derounian	Kelly, N. Y.	Ray
Donohue	Kilburn	Reed, N. Y.
Dorn, N. Y.	King, Pa.	Riehlman
Fino	Latham	Rogers, Fla.
Fogarty	Macdonald	St. George
Gary	Marrow	Saylor
Gavin	Miller, N. Y.	Taber
Hand	Morano	Taylor
Hébert	O'Brien, N. Y.	Teague, Calif.
Herlong	Osmers	Udall
Heseltan	Ostertag	Utt
Hess	Patterson	Wainwright
James	Philbin	Wharton
Kean	Phillips	Williams, N. Y.
Kearney	Pillion	

NOT VOTING—70

Adair	Fascell	Mumma
Bailey	Fjare	Nelson
Barden	Frelinghuysen	O'Hara, Minn.
Barrett	Gamble	Passman
Bell	Garmatz	Patman
Berry	Granahan	Perkins
Bolton,	Green, Pa.	Priest
Oliver P.	Gregory	Scherer
Bowler	Gubser	Scudder
Byrd	Gwinn	Shelley
Byrne, Pa.	Haley	Sheppard
Carlyle	Hoffman, Ill.	Shuford
Chatham	Hoffman, Mich.	Sieminski
Chudoff	Holifield	Sikes
Cooley	Holt	Steed
Davidson	Jenkins	Teague, Tex.
Deane	Johnson, Calif.	Thompson,
Diggs	Lane	Mich.
Dodd	McCarthy	Thornberry
Donovan	Mack, Wash.	Velde
Doyle	Mailliard	Vinson
Durham	Miller, Calif.	Watts
Eberharter	Morrison	Winstead
Engle	Moulder	Wilson, Calif.

So the conference report was agreed to.

The Clerk announced the following pairs.

General pairs:

Mr. Chatham with Mr. Jenkins.
 Mr. Barden with Mr. Adair.
 Mr. Durham with Mr. Johnson of California.
 Mr. Deane with Mr. Wilson of California.
 Mr. Shuford with Mr. Velde.
 Mr. Cooley with Mr. Scudder.
 Mr. Carlyle with Mr. Fjare.
 Mr. Bell with Mr. Mack of Washington.
 Mr. Haley with Mr. O'Hara of Minnesota.
 Mr. Steed with Mr. Holt.
 Mr. Fascell with Mr. Hoffman of Michigan.
 Mr. Donovan with Mr. Gamble.
 Mr. Garmatz with Mr. Gwinn.
 Mr. Priest with Mr. Mumma.
 Mr. Vinson with Mr. Mailliard.
 Mr. Winstead with Mr. Oliver P. Bolton.
 Mr. Gregory with Mr. Gubser.
 Mr. Watts with Mr. Frelinghuysen.
 Mr. Morrison with Mr. Hoffman of Illinois.
 Mr. Engle with Mrs. Thompson of Michigan.
 Mr. McCarthy with Mr. Scherer.
 Mr. Byrd with Mr. Nelson.
 Mr. Passman with Mr. Berry.

Mr. PATTERSON changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

LEGISLATIVE APPROPRIATION BILL, 1957

Mr. NORRELL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be granted until midnight, Friday, May 25, 1956, to file a report on the legislative appropriation bill for 1957.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HORAN. Mr. Speaker, I reserve all points of order on the bill.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL FOR FISCAL YEAR 1957

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year 1957, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, MARSHALL, DEANE, NATCHER, CANNON, H. CARL ANDERSEN, HORAN, VURSELL, and TABER.

ELECTION TO COMMITTEE

Mr. MARTIN. Mr. Speaker, I offer a resolution (H. Res. 511) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That WILLIAM C. CRAMER, of Florida, be, and he is hereby, elected a member of the Standing Committee of the House of Representatives on the Judiciary.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE CITADEL, CHARLESTON, S. C.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 261) authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out the preamble.

Strike out all after the resolving clause and insert: "That, notwithstanding any other provision of law, the Secretary of the Army is authorized to donate to The Citadel, the Military College of South Carolina, such ordnance field pieces (tanks and guns) used in World War II or during the Korean conflict and captured enemy materiel as are available and determined by him to be appropriate for use by that college for memorial purposes."

Amend the title so as to read: "Joint resolution authorizing the Secretary of the Army to donate surplus supplies and equipment for memorial purposes to The Citadel, Charleston, S. C."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Louisiana if this was not a unanimous report from our committee originally?

Mr. BROOKS of Louisiana. It is unanimous.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

THE LATE WILLIAM PRICE ELMER

The SPEAKER pro tempore. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Speaker, it is with sorrow that I announce to the House the passing of one of Missouri's truly great men, William Price Elmer, of Salem, Mo. Death overtook Mr. Elmer on May 11, 1956, and ended the life of Salem's oldest lawyer and one of Dent County's most prominent citizens for more than half a century. Mr. Elmer is a former Member of the House of Representatives and my immediate predecessor. He served the Eighth District of Missouri and the Nation with capable distinction in the 78th Congress.

Greatness in a man, as in a mountain, sometimes requires distance to be seen properly. This, however, was not the case with Bill Elmer. He was one of those rare individuals whose talents and many accomplishments were recognized and highly respected while he was living. Following is an editorial from Bill Elmer's hometown newspaper, the Salem Post, which adequately expressed the deep feeling of loss that pervades the Salem community since he has departed from their midst:

Dent County this week mourns the loss of William Price Elmer, probably the best-known resident of the county as a result of his long political activity and leadership in the Republican Party. Bill Elmer was known to hundreds of Missourians from the Boot-heel to the Iowa line as a result of his services in the State legislature, in Congress, and in countless political campaigns.

A man of strong convictions, no one ever had to wonder where W. P. Elmer stood on any matter of public interest. He loved to talk and to express his opinions. Those opinions he backed to the limit. He expected others to fight for their beliefs and a political argument to him was no cause for the disturbance of a personal friendship. The result was that he listed among his friends as many Democrats as Republicans, although he was a staunch Republican and never ceased to fight for his party. * * *

The county has lost a leader in the death of W. P. Elmer. The country has lost a booster and a friend.

I have a very high personal regard for Mr. Elmer. He and I were both seeking election when I first came to Congress. He campaigned hard as he did everything he undertook. Yet everything was above board. The race was so close that a count of the absentee vote was necessary to determine the outcome. No personal attacks were ever injected and Mr. Elmer was the first to extend congratulations and sincerely offer me any possible help in adjusting to the new job.

I came to Washington a few weeks ahead of the opening of the 79th Con-

gress. The office space to which I was assigned was not available since the previous Congress was still in session. Mr. Elmer invited me to share his office. I shall always remember and appreciate this pleasant and helpful association with him.

I join his family and friends in pleasant memories, and extend condolences in their irreparable loss.

(Mr. SHORT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SHORT. Mr. Speaker, recently while delivering some commencement addresses in Missouri, I learned of the death of our good friend and former colleague, Hon. William Price Elmer.

Though Mr. Elmer had been ill for several weeks and was 85 years of age, he died very suddenly while having dinner with his family in Salem, Mo. He had lived a long, useful, and fruitful life, but we are never quite prepared to give up those who are near and dear to us.

Bill Elmer was a colorful—and at times a controversial figure. He was colorful because of his versatility and interests in so many human activities, and was controversial because he never hesitated to take a firm and definite stand on any public issue.

Mr. Elmer was admitted to the practice of law before I was born, and tried many important cases in our State. He was admired and respected by members of the bar whether he aided or opposed them. Never did Bill Elmer stultify his conscience, prostitute his mind, or degrade his soul by compromising with principle. Always he was frank and outspoken and no one could doubt as to where he stood on burning questions or controversial issues. Even his opponents respected him for his honest convictions to which he adamantly adhered.

There have been few men in the history of Missouri who possessed more civic pride or public spirit than Bill Elmer. He served not only on the Salem School Board, but was a member of the board of curators of the University of Missouri. He advertised "Salem in Dent County" wherever he went, and loved the people in his home town and county. They also loved him.

He took particular interest in his hometown chamber of commerce and appreciated his membership in that little organization as much or more than he did in the State legislature or the United States Congress.

Mr. Elmer served 6 terms in the Missouri legislature and was author of many important bills. He was a strong backer of State highways and was the author of old-age pensions in Missouri. When a Member of this House, he served faithfully and diligently and never hesitated for one moment to express his opinion or cast his vote on any public issue. He was a staunch Republican—and while loyal to his party and fearless in defending it, he was always courteous to those who disagreed with him.

Members of this body will remember him, but thousands of Missourians all over our great State will forever cherish his memory. He was a loyal Baptist and

Public Law 540 - 84th Congress
Chapter 327 - 2d Session
H. R. 10875

AN ACT

All 70 Stat. 188.

To enact the Agricultural Act of 1956.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1956". Agricultural Act of 1956.

TITLE I—SOIL BANK ACT

SHORT TITLE

SEC. 101. This title may be cited as the "Soil Bank Act".

Soil Bank Act.

DECLARATION OF POLICY

SEC. 102. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farmland for the production of excessive supplies of agricultural commodities, and to provide for conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an over-all program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

52 Stat. 31.
7 USC 1281.

SUBTITLE A—ACREAGE RESERVE PROGRAM

TERMS AND CONDITIONS

SEC. 103. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable, within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs not later than 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Contract.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder: *Provided, however,* That the provisions of Section 107 (d) shall apply to the termination of any contract hereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment ad-

justments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for 1956 and for each year for ^{Corn.} which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography. ^{52 Stat. 51.} ^{7 USC 1327.}

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 308 (b), producers do not Post, p. 206. vote in favor of the program provided in subsection (c) of such section.

EXTENT OF PARTICIPATION IN PROGRAM

SEC. 104. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 103 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

COMPENSATION OF PRODUCERS

SEC. 105. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable ^{Negotiable} ^{certificates.} certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage

withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) Compensation shall be paid to any producer for participating in the acreage reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed \$750,000,000, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, \$375,000,000; cotton, \$300,000,000; corn in the commercial corn-producing area, \$300,000,000; peanuts, \$7,000,000; rice, \$23,000,000; and tobacco, \$45,000,000. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 104.

EFFECT ON ACREAGE ALLOTMENTS AND QUOTAS

52 Stat. 31.
7 USC 1281.

SEC. 106. (a) In the future establishment of State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

55 Stat. 204.
52 Stat. 51.
63 Stat. 1060.

(b) In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340 (6)), and sections 326 (f) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

SUBTITLE B—CONSERVATION RESERVE PROGRAM

TERMS AND CONDITIONS

Producers' contracts.

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water

storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103 (a) Ante, p. 189. (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract (including the prohibition of grazing on conservation acreages) at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree: Agreement by Secretary.

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration

Advertising
and bids.

Termination of
contracts be-
cause of vio-
lations.

the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within thirty days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such thirty-day period, the determination of the State committee made in accordance with regulations of the Secretary shall be final and conclusive. If the producer within such thirty-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceeding, shall submit a report, including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within ninety days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination within the ninety-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

CONSERVATION RESERVE GOAL

SEC. 108. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carryover. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country. Report to Congress.

AUTHORIZED PERIOD OF CONTRACTS AND EXPENDITURES

SEC. 109. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956-1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for 15 years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of \$450,000,000 in any calendar year.

TERMINATION AND MODIFICATION OF CONTRACTS

SEC. 110. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

CONSERVATION MATERIALS AND SERVICES

SEC. 111. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

EFFECT ON OTHER PROGRAMS

SEC. 112. Notwithstanding any other provision of law—

52 Stat. 31.
7 USC 1281.

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

52 Stat. 31.
7 USC 1281.

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

GEOGRAPHICAL APPLICABILITY

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

SUBTITLE C—GENERAL PROVISIONS

COMPLIANCE WITH ACREAGE ALLOTMENTS

SEC. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, Post, p. 208. as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

REAPPORTIONMENT PROHIBITED

SEC. 115. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

CERTIFICATE OF CLAIMANT

SEC. 116. Subject to the provisions of section 105 (b), payment or Ante, p. 191. compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

UTILIZATION OF LOCAL AND STATE COMMITTEES

SEC. 117. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. 49 Stat. 1149.
16 USC 590h.

UTILIZATION OF OTHER AGENCIES

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

UTILIZATION OF LAND USE CAPABILITY DATA

SEC. 119. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability

surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

FINANCING

Report to
Congress.

Appropriations.

Transfer of
funds, etc.

SEC. 120. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

FINALITY OF DETERMINATIONS

SEC. 121. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

PROTECTION OF TENANTS AND SHARECROPPERS

SEC. 122. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have

been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

PENALTY FOR GRAZING OR HARVESTING

SEC. 123. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 103 or 107 shall be subject to a civil penalty equal to 50 per centum of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States. Ante, pp. 189, 191.

REGULATIONS

SEC. 124. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

PRODUCTION ON GOVERNMENT LANDS PROHIBITED

SEC. 125. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price supported crops in surplus supply. Nothing contained in this section shall prevent the production of such crops on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations, especially of waterfowl for beneficial use.

POOLING OF CONSERVATION RESERVE LAND

SEC. 126. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE II—SURPLUS DISPOSAL

PROGRAM OF ORDERLY LIQUIDATION

SEC. 201. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within ninety days after the enactment of this Act detailed programs, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security

Report to
Congress.

68 Stat. 849.
22 USC 1935.

Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

- (1) the quantities of surplus commodities on hand;
- (2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;
- (3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;
- (4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and
- (5) recommendations for additional legislation necessary to accomplish the purposes of this section.

EXTRA-LONG STAPLE COTTON

54 Stat. 2640.

49 Stat. 773.

7 USC 624.

SEC. 202. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this Act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

EXPORT SALES PROGRAM FOR COTTON

SEC. 203. In furtherance of the current policy of the Commodity Credit Corporation of offering surplus agricultural commodities for sale for export at competitive world prices, the Commodity Credit Corporation is directed to use its existing powers and authorities immediately upon the enactment of this Act to encourage the export of cotton by offering to make cotton available at prices not in excess of the level of prices at which cottons of comparable qualities are being offered in substantial quantity by other exporting countries and, in any event, for the cotton marketing year beginning August 1, 1956, at prices not in excess of the minimum prices (plus carrying charges, beginning October 1, 1956, as established pursuant to Section 407 of the Agricultural Act of 1949) at which cottons of comparable qualities were sold under the export program announced by the United States Department of Agriculture on August 12, 1955. The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton. Cottons of qualities not comparable to those of cottons sold under the program announced on August 12, 1955, shall be offered at prices not in excess of the maximum prices prescribed hereunder for cottons of qualities comparable to those of cottons sold under such program, with appropriate adjustment for differences in quality. Such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

63 Stat. 1055.

7 USC 1427.

AGREEMENTS LIMITING IMPORTS

SEC. 204. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended. 49 Stat. 773.
7 USC 624.

APPROPRIATION TO SUPPLEMENT SECTION 32 FUNDS

SEC. 205. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of \$500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such \$500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof. Appropriation.
49 Stat. 774.

TRANSFER OF BARTERED MATERIALS TO SUPPLEMENTAL STOCKPILE

SEC. 206. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98-98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704). 60 Stat. 596.
68 Stat. 456.

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture. Appropriation.

SURPLUS DISPOSAL ADMINISTRATOR

SEC. 207. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding \$15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

PAYMENT OF OCEAN FREIGHT

SEC. 208. The Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

68 Stat. 456.
7 USC 1703.

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended".

Post. p. 203.
7 USC 1721.

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports,".

7 USC 1723.

(c) The first sentence of section 203 is amended to read as follows: "Not more than \$500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

Post. p. 203.

COMMISSION TO RECOMMEND LEGISLATION PROVIDING FOR INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

SEC. 209. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of five members, of whom not more than three shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of \$50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

63 Stat. 954.
5 USC 1071
note.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434 or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

62 Stat. 697.

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

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Congress.

(c) There is hereby authorized to be appropriated such sum, not to exceed \$150,000, as may be necessary to enable the Commission to carry out its functions.

Appropriation.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

Termination.

DONATION TO PENAL AND CORRECTIONAL INSTITUTIONS

SEC. 210. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

FEDERAL IRRIGATION, DRAINAGE, AND FLOOD-CONTROL PROJECTS

SEC. 211. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this Act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of three years from the date of enactment of this Act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this Act and under price support legislation.

(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject

"Federal irrigation or drainage project".

43 USC 371
note.

to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

PROCESSING OF DONATED FOOD COMMODITIES

68 Stat. 458.
7 USC 1431.

SEC. 212. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

EXTENSION OF SURRENDER AND REAPPORTIONMENT PROVISIONS FOR WHEAT ACREAGE ALLOTMENTS

68 Stat. 903.
7 USC 1334.

SEC. 301. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957".

ACREAGE ALLOTMENTS FOR COTTON FOR 1957 AND 1958

63 Stat. 670.
7 USC 1342.

SEC. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956: *Provided*, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 per centum, such State allotment shall be increased so that the reduction shall not exceed 1 per centum per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments."

COTTON—SMALL FARM ALLOTMENTS

63 Stat. 671.
7 USC 1344.

SEC. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall

be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages)."

63 Stat. 671.

7 USC 1344.

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

63 Stat. 671.

7 USC 1344.

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period."

(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

68 Stat. 904.

7 USC 1344.

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage

Effectivity
of section.

Post, p. 206.

in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

MINIMUM ACREAGE ALLOTMENTS FOR RICE

69 Stat. 46.
7 USC 1353.

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.

"(6) The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."

INCREASE IN PEANUT MARKETING PENALTIES

61 Stat. 721.
7 USC 1359.

SEC. 305. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 per centum of the support price for peanuts for the marketing year (August 1-July 31)."

COLLECTION OF PEANUT MARKETING PENALTIES

55 Stat. 90.
7 USC 1359.

SEC. 306. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States."

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 307. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows: 52 Stat. 66.
7 USC 1376.

"PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

ACREAGE REQUIREMENTS FOR PRICE SUPPORT ON CORN AND OTHER
FEED GRAINS

SEC. 308. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require, as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn: *Provided*, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended. 52 Stat. 31.
7 USC 1281.
63 Stat. 1051.
7 USC 1441.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 per centum of the parity price for the

commodity as of May 1, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ per centum of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 per centum of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, and the ability to dispose of stocks of such commodity acquired through price support programs.

TITLE IV—FORESTRY PROVISIONS

ASSISTANCE TO STATES FOR TREE PLANTING AND REFORESTATION

SEC. 401. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than fifty million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

State plans.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided*, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.
(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

Rules and
regulations.
Appropriations.

STUDY OF PRICE TRENDS FOR FOREST PRODUCTS

SEC. 402. The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within one year from the date of enactment of this Act shall submit a report thereon to the Congress.

TITLE V—CERTIFICATE PROGRAM FOR RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, MARKETING QUOTAS, AND MARKETING CERTIFICATES"; (2) by changing the designation of subtitle D thereof to read as follows: "SUBTITLE E—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS"; and (3) by inserting after subtitle C a new subtitle D, as follows:

52 Stat. 38.
7 USC 1301
et. seq.

"SUBTITLE D—RICE CERTIFICATES

"LEGISLATIVE FINDINGS

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

52 Stat. 60.
7 USC 1351.

"EFFECTIVE DATE AND TERMINATION

"SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

"RICE PRIMARY MARKET QUOTA

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced

in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"APPORTIONMENT OF PRIMARY MARKET QUOTA

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"REVIEW OF PRIMARY MARKET QUOTA

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

52 Stat. 63.
7 USC 1363-
1368.

"PRICE SUPPORT

"SEC 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

63 Stat. 1051.
7 USC 1441.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which this section is applicable, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"CERTIFICATES

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

52 Stat. 68.
7 USC 1385.

"(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"INVENTORY ADJUSTMENT PAYMENTS

"SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): *Provided, however,* That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"RICE SET-ASIDE

"SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding twenty million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

68 Stat. 897.
7 USC 1741.

"EXEMPTIONS

"SEC. 380j. The provisions of this subtitle shall not apply to non-irrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"PROCESSING RESTRICTIONS

"SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"IMPORT RESTRICTIONS

"SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

"REGULATIONS

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"CIVIL PENALTIES

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"REPORTS AND RECORDS

"SEC. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$2,000 for each such violation.

"(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"DEFINITIONS

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limited to—

- "(1) whole grain rice,
- "(2) second head milled rice,
- "(3) screenings milled rice,
- "(4) brewers milled rice,
- "(5) undermilled rice or unpolished rice,
- "(6) brown rice,
- "(7) converted rice, malekized rice or parboiled rice, and
- "(8) vitaminized rice or enriched rice.

52 Stat. 65.
7 USC 1373.

63 Stat. 1055.
7 USC 1428.

“(d) ‘United States’ means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

“(e) ‘exporter’ means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

“(f) ‘rough rice equivalent’ means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

“(g) ‘import’ means to enter, or withdraw from warehouse, for consumption.”

NORMAL YIELD FOR RICE

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating ^{52 Stat. 41.} subparagraph (E) as subparagraph (G); and (2) striking out sub- ^{7 USC 1301.} paragraph (D) and inserting in lieu thereof the following:

“(D) ‘Normal yield’ for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

“(E) ‘Normal yield’ for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

“(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre.”

TITLE VI—MISCELLANEOUS

PRICE SUPPORTS—COTTONSEED AND SOYBEANS

SEC. 601. (a) Title II of the Agricultural Act of 1949, as amended, is ^{7 USC 1446.} amended by adding at the end thereof a new section as follows:

“SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at

such level as the Secretary determines will cause them to compete on equal terms on the market."

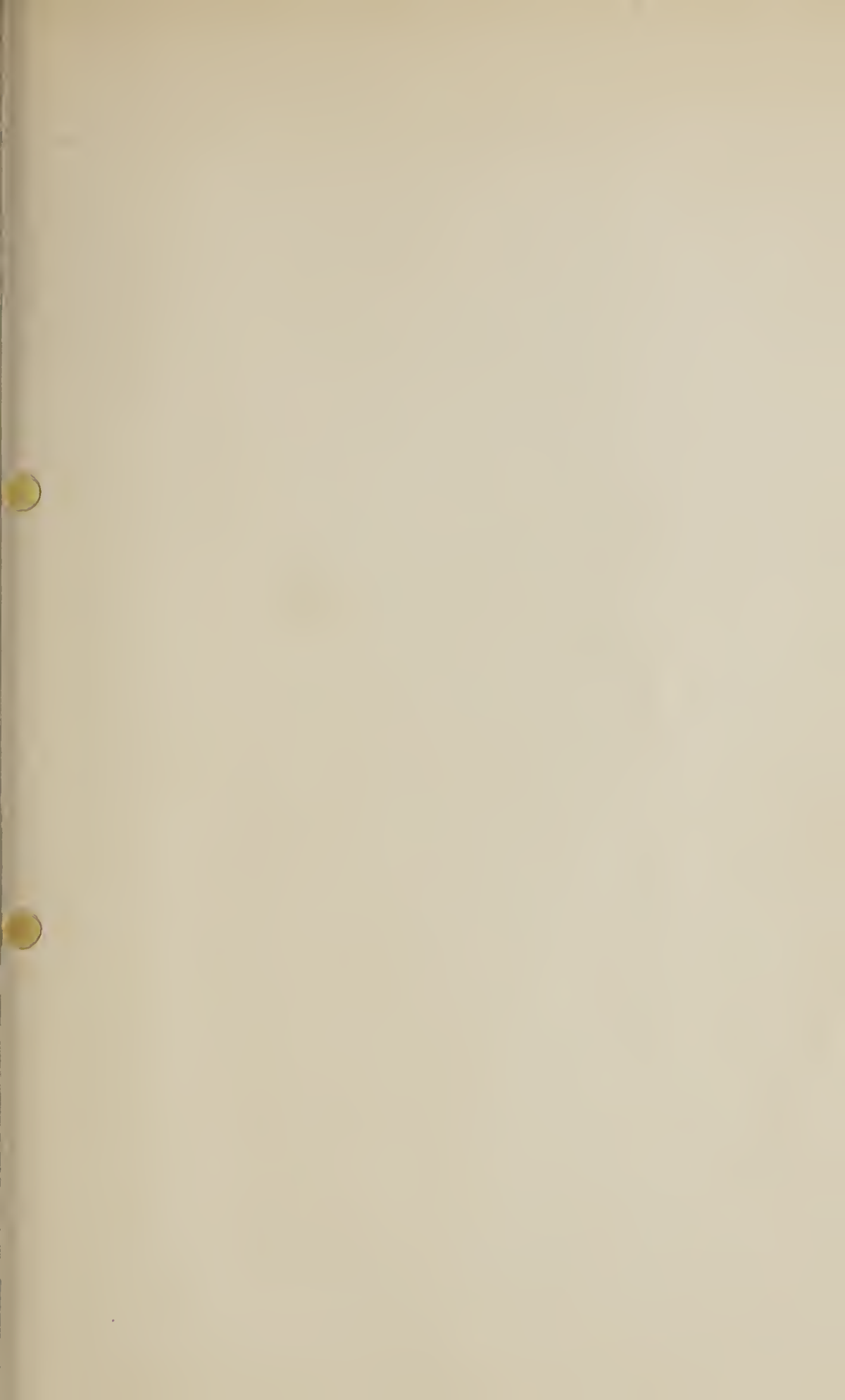
(b) The amendment made by this section shall take effect with the 1956 crop.

TRANSITIONAL PARITY FOR BASIC COMMODITIES FROZEN DURING 1957

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii)) is amended by inserting after "full calendar years" the following: "(not counting 1956 in the case of basic agricultural commodities)". The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

Approved May 28, 1956.

Report to
Congress.



May 28, 1956

James C. Hagerty, Press Secretary to the President

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have today approved the farm bill, H. R. 10875.

The heart of the bill is the soil bank. Its acreage reserve will help bring production of certain crops into balance with their markets. It will check current additions to our price-depressing, market-destroying surplus stocks of farm products. It is a concept rich with promise for improving our agricultural situation.

The conservation reserve feature of the soil bank can be the most significant advance in the conservation field in many years. It will result in improved use of our soil and water resources for the benefit of this and future generations. Together with the forestry provisions of the bill, it will increase our supply of much-needed forest products. It will help hold rain and snow where they fall and will heal with grass and trees the scars of erosion which now mar our countryside. It will make for better land use in those areas of the Great Plains which have experienced dust storms. It will reduce the stimulus to livestock production, induced by feed-grain output on acres diverted from wheat and cotton.

The delay in the bill's enactment, however, makes it virtually impossible to put the soil bank properly into effect in 1956 and I am disappointed that advance payments to farmers are not provided for.

Most of the harmful provisions of the previous farm bill have been deleted or have been substantially modified. Some of them still remain, however, and some new ones have been added.

Sections 202 and 203, which apply to cotton, are particularly unfortunate. This administration is committed to a policy of orderly disposal of agricultural surpluses abroad and a healthy expansion of international trade. This policy is in our national interest and serves to promote the strength of the free world. These two sections call for measures which could result in a serious setback to this policy.

Section 203 requires the Government to follow an inflexible program of cotton export sales with little regard to costs and

more

(over)

without adequate regard to the far-reaching economic consequences at home and abroad. In order to avoid seriously disruptive effects, this section of the bill will have to be administered with extreme caution.

Section 202 intensifies further the restrictions already applied on imports of long-staple cotton at a time when domestic cotton of this type is fully competitive with foreign growths and domestic consumption is rising. The same section of the legislation requires the Government to export Commodity Credit Corporation stocks of extra long-staple cotton, a type which we normally do not sell abroad in significant quantities.

Section 204 authorizes the President to negotiate agreements to limit certain imports outside the procedures established by our Trade Agreements legislation. This section represents an undesirable complication in the field of foreign trade.

The effective operation of a two-price plan for rice is faced with several serious problems, which must be carefully evaluated before a decision is made as to whether to institute such a plan.

In freezing acreage allotments for rice and cotton for the next two years at the 1956 level the bill runs counter to the adjustment principle which underlies our basic agricultural legislation.

Despite the shortcomings of the bill, its advantages outweigh its harmful provisions. I am gratified with the constructive features it contains and I am hopeful that the Congress will review and repair its shortcomings.

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c-o-p-y

UNITED STATES DEPARTMENT OF AGRICULTURE
Commodity Stabilization Service

June 15, 1956

THE SOIL BANK ACREAGE RESERVE PROGRAM FOR 1956

The Soil Bank is now getting under way throughout the country as a part of the national farm program.

Even if farmers have already planted 1956 crops, they can make adjustments and earn Soil Bank payments this year.

The Soil Bank was enacted to check the build-up of excessive farm supplies which are today depressing farm prices and overflowing storage. By encouraging needed production adjustments, the Soil Bank provides a means of reducing stocks to manageable levels, while protecting farm income and conserving the Nation's soil and water resources.

The Soil Bank has two parts:

1. The Acreage Reserve -- to reduce surpluses of wheat, corn, cotton, peanuts, rice, and tobacco by adjusting acreages below established "allotments" and the "Soil Bank corn base acreage."

In 1956, this reduction may be accomplished by underplanting, by loss through natural destruction, or by plowing or cutting the crop before the deadline.

2. The Conservation Reserve -- to cut back excess production of crops in general by shifting acreage to long-range conservation uses.

Farmers taking part in the program will designate (in agreements or contracts with the U. S. Department of Agriculture) the specific acreage to be included in the Acreage Reserve, the Conservation Reserve, or both. The same acreage, however, may not be designated under both parts of the program. Acreage Reserve agreements must be signed by the farmer not later than July 20, 1956.

The Soil Bank does not supplant any other national farm program, such as acreage allotments, price supports, or the Agricultural Conservation Program. These programs still continue.

The following pages describe how the Acreage Reserve, as well as production-adjustment and price-support programs, will operate in 1956 for cotton, wheat, corn, rice, peanuts and tobacco. (Information on the Conservation Reserve will be issued later.)

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Agriculture-Washington

TOBACCO UNDER 1956 FARM PROGRAMS

Soil Bank Acreage Reserve, Acreage Allotments and Marketing Quotas, and Price Supports

Acreage allotments and marketing quotas:

1. Acreage allotments and marketing quotas are in effect in 1956 for all kinds of tobacco except Pennsylvania and Puerto Rican cigar filler and shade-grown wrapper.
2. Acreage allotments for 1956-crops of flue-cured, and cigar filler and binder tobaccos are about 12 percent below the 1955 level. Allotment reductions announced in November 1955 were cancelled by Public Laws 425, 426, and 427, 84th Congress, restoring allotments to the 1955 level for burley, fire-cured, and dark air-cured tobaccos, and to the 1953 level in the case of Maryland tobacco.
3. Growers failing to comply with allotments are ineligible for price support on tobacco and also for Soil Bank payments. In addition, growers must pay penalties equal to 75 percent of the preceding season's average market price on excess marketings.

Price support:

Prices of cooperators' 1956-crop tobacco will be supported as follows:

<u>Kind</u>	<u>Minimum support level</u> (cents per pound)	<u>Percent of parity (or burley rate)</u> (percent)
Flue-cured	.482	90
Burley	.472	90
Maryland	.462	90
Fire-cured	.354	(3/4 of the burley rate)
Dark air-cured	.315	(2/3 of the burley rate)
Virginia sun-cured	.315	(2/3 of the burley rate)
Cigar filler & binder types	.226 to .516	90
Puerto Rican	To be announced	

Soil Bank Tobacco Acreage Reserve

General qualifications:

1. To qualify for any payment under the Soil Bank program, a tobacco farmer must comply with the farm acreage allotment for tobacco, cotton, peanuts, rice, and wheat, and the corn base acreage. For wheat, if the farm allotment is 15 acres or less, the farmer may produce 15 acres of wheat. For peanuts, a farmer may produce one acre without becoming ineligible for Acreage Reserve payments.

2. The acreage of tobacco for harvest must be less than the acreage allotment for the farm.
3. The designated acreage reserve must not be grazed, cut for hay, or cropped for the entire calendar year 1956.
4. Acreage placed in the Acreage Reserve cannot qualify under the Conservation Reserve.
5. Noxious weeds must be controlled on the designated acreage reserve land.

Note: In the establishment of future acreage allotments, reserve acreages of tobacco will be credited to the State, county, and farm as though the acreage actually had been planted.

Special qualifications:

The 1956 program contains special provisions and payments enabling farmers to participate this year. Any tobacco grower who otherwise complies with the provisions of the acreage reserve may be eligible for payment if:

1. He underplanted his tobacco acreage allotment and certifies that he underplanted (a) in anticipation of participating in the 1956 Soil Bank tobacco Acreage Reserve or (b) because of adverse weather conditions.
2. He has complied with his farm acreage allotment for tobacco, but an acreage of the crop was not harvested because of destruction by natural causes (floods, hail, drought, etc.).
3. He is in an area where an established final date set for tobacco is subsequent to May 27 and he plows or otherwise physically incorporates the crop into the soil, or clips, mows, or cuts the crop after May 27 and prior to a final date established for Acreage Reserve compliance by the State Agricultural Stabilization and Conservation Committee. The established date will in no case be later than July 31.

Rate of payment:

The payment a tobacco grower may earn by taking part in the Acreage Reserve for tobacco is determined by multiplying the base unit rate per pound by the yield determined by the county ASC committee. The maximum payment for any farm will be based on a yield no greater than 115 percent of the national yield for that kind of tobacco.

(Program Highlights)
(Tobacco)

Following are the national yields, the rates of payment, and the maximum per acre payment:

<u>Kind of Tobacco</u>	<u>Yield per Acre</u>	<u>Rate of Payment per Pound</u>	<u>Maximum Payment per Acre</u>
Flue-cured	1,419	\$ 0.18	\$ 293
Burley	1,643	0.18	340
Maryland	869	0.17	169
Fire-cured	1,330	0.13	198
Dark Air-cured	1,460	0.12	201
Virginia Sun-cured	1,163	0.12	160
Cigar-filler, types 42-44	1,676*	0.09	173
Cigar-binder, type 51	1,676*	0.19	366
Cigar-binder, type 52	1,676*	0.18	346
Cigar-binder, type 54	1,676*	0.08	154
Cigar-binder, type 55	1,676*	0.11	211

* The Agricultural Adjustment Act of 1938, as amended, treats these types as one kind of tobacco.

If the tobacco acreage allotment is underplanted the payment will be based on the normal yield of the farm, but in no case on a yield greater than 115 percent of the national yield for that kind of tobacco.

If the compliance is from natural destruction of the crop or from plowing or otherwise incorporating the tobacco into the soil, or by mowing, or cutting, or clipping the crop, the payment will be based on the smaller of the appraised yield for the field or the normal yield for the farm but not less than \$6.00 per acre.

Maximum and minimum acreage:

The maximum acreages of tobacco which may be placed in the Acreage Reserve is the larger of half the allotment or 5 acres. The minimum acreage is the larger of 10 percent of the allotment or 1 acre. However, where the allotment is less than the specified acreage minimum or maximum, the total allotment shall be considered as the minimum or the maximum.

CORN UNDER 1956 FARM PROGRAMS

Soil Bank Acreage Reserve, Soil Bank Base Acreages and Price Support

Corn Base

The Agricultural Act of 1956 replaces the 1956 corn allotment with a Soil Bank corn base acreage (for the Soil Bank and in the determination of eligibility for corn price support) for the 840 commercial corn counties. The 1956 corn acreage allotment was 43,280,540 acres. The Soil Bank corn base acreage for 1956 is 51 million acres — 17.8 percent above the former 1956 allotment.

Placing corn acreage under the Acreage Reserve will not affect the future establishment of State, county, or farm bases or allotments for corn.

Price Support

The maximum price support for the 1956 corn crop has been announced at a national average of at least \$1.50 a bushel in the commercial corn area, to noncooperators (those who do not meet acreage requirements) in the commercial area, the rate will be based on a national average of \$1.25 a bushel. Support in noncommercial counties is mandatory at 82½ percent of the commercial area maximum rate.

Farmers in the commercial corn area may qualify for the maximum price support for corn by: (1) Complying with their corn acreage allotments (established previously), or (2) complying with the new Soil Bank price-support requirements for corn price support.

To qualify under (2), the producer must place an acreage equal to 15 percent of his corn base in either the Acreage Reserve for corn or in the Conservation Reserve, and he must not exceed the farm corn base.

Soil Bank Acreage Reserve for 1956

General Qualifications:

To participate in the Acreage Reserve or the Conservation Reserve, a farmer must comply with the corn base and all acreage allotments established for the farm. In the case of farm allotments for wheat, the farmer must not have exceeded the farm acreage allotment or 15 acres, whichever is larger. For peanuts, any farm may produce one acre of peanuts without becoming ineligible for acreage reserve payments.

The same acreage may not be designated for both the Acreage Reserve and the Conservation Reserve.

Acreage designated for the Acreage Reserve must: (1) Result in the harvesting of an acreage of the basic crop less than the Soil Bank corn base acreage, and (2) not be grazed, cut for hay, or cropped for the entire 1956 calendar year. Noxious weeds must also be controlled on the "reserved" acreage.

Specific Qualifications:

Any farmer who meets the general requirements for participation in the Acreage Reserve may earn payments by:

1. Underplanting his corn base and certifying that this was done (a) in anticipation of complying with the 1956 Acreage Reserve or (b) because of adverse weather conditions; or

2. Complying with his corn base, and not harvesting an acreage of the crop because of destruction by natural causes; or

3. By plowing or otherwise physically incorporating the crop into the soil, or clipping, mowing, or cutting an acreage of corn within the Soil Bank base acreage after May 27 and before the established final date for compliance with the corn base acreage. If the "established final date" is before June 30, then the final date for carrying out the practice is June 30. Under no circumstances will the final date be later than July 31, for Soil Bank purposes, even though the regular compliance date is later.

Maximum and Minimum Acreages. — For corn, the maximum acreage which may be placed in the Acreage Reserve is half the corn base acreage or 50 acres, whichever is larger, except that the "reserved" acreage for corn may not exceed the Soil Bank base acreage for the farm.

The minimum acreage of corn which may be placed in the Acreage Reserve is 10 percent of the Soil Bank base acreage or 5 acres, whichever is larger, except that where the allotment is less than 5 acres, the minimum is the allotment.

Payments. — Payments which a farmer may earn for participating in the Acreage Reserve will be based on a national average rate of 90 cents per bushel for the 1956 corn crop.

For underplanting the corn base, the payment rate will be based on the normal yield for the designated acreage;

For destruction due to natural causes, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

For plowing or otherwise physically incorporating the crop into the soil, or for clipping, mowing, or cutting the crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

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COTTON UNDER 1956 FARM PROGRAMS

Soil Bank Acreage Reserve, Acreage Allotments and Marketing Quotas, and Price Supports

Acreage Allotments and Marketing Quotas

The national acreage allotment for the 1956 crop of upland cotton is 17,391,304 acres, announced October 14, 1955. Since marketing quotas for the crop were approved by growers voting in a referendum held December 13, 1955, quotas and penalties on "excess" cotton are in effect for the 1956 crop. The quota penalty is 50 percent of the June 15, 1956 parity price.

Placing cotton acreage in the Acreage Reserve will not affect the future establishment of State, county, or farm acreage allotments for cotton.

Price Support

The minimum level of price support for the 1956 crop of upland cotton, announced April 17, 1956, is 28.85 cents per pound, basis Middling 7/8-inch, gross weight at average location. If $82\frac{1}{2}$ percent of the parity price on August 1, 1956 is higher, the level of price support will be increased accordingly.

Compliance with acreage allotments is required as a condition of eligibility for price support.

Soil Bank Acreage Reserve

General Qualifications:

To qualify for payments under the 1956 Acreage Reserve of the Soil Bank, a farmer must comply with all allotments established for crops on his farm and with his Soil Bank corn base acreage if he has one. In the case of wheat, a farmer must not exceed his farm acreage allotment or 15 acres, whichever is larger. For peanuts, any farm can produce one acre of peanuts without becoming ineligible for Acreage Reserve payments.

The same acreage may not be designated for both the Acreage Reserve and the Conservation Reserve.

Cotton acreage designated for inclusion in the Acreage Reserve must (1) result in the harvesting of an acreage of cotton less than the farm allotment, and (2) not be grazed, cut for hay, or cropped for the entire 1956 calendar year. Noxious weeds must also be controlled on the "reserved" acreage.

Specific Qualifications:

Any farmer who meets the general requirements for participating in the Acreage Reserve may earn payments by:

1. Underplanting his allotment for cotton and certifying that he underplanted either in anticipation of complying with the 1956 Acreage Reserve or because of adverse weather conditions; or
2. Not exceeding his farm allotment for cotton, and not harvesting an acreage of the crop because of destruction by natural causes; or
3. Plowing or otherwise incorporating into the soil, or clipping, mowing, or cutting an acreage of cotton within the allotment after May 27 and before the final acreage reserve disposal date set for the area by the State Committee, which will not be later than July 31.

Maximum and Minimum Acreages -- For cotton, the maximum acreage which a farmer may place in the Acreage Reserve is half the farm allotment or 10 acres, whichever is larger, except that the "reserved" acreage may not exceed the allotment.

The minimum acreage of cotton which may be placed in the Acreage Reserve is 10 percent of the allotment or 2 acres, whichever is larger, except that when the allotment is less than 2 acres, the minimum is the allotment.

Payments -- Payments which a farmer may earn for participating in the Acreage Reserve will be based on a rate of 15 cents per pound.

For underplanting the cotton allotment, the payment rate will be based on the normal yield for the designated acreage.

For destruction due to natural causes, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

For plowing or otherwise physically incorporating the cotton crop into the soil, or for clipping, mowing, or cutting the cotton crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

PEANUTS UNDER 1956 FARM PROGRAMS

Peanut Acreage Reserve, Acreage Allotments and Marketing Quotas and Price Support

Acreage allotments and marketing quotas:

1. Acreage allotments based on a national acreage of approximately 1,650,000 acres are in effect for the 1956 peanut crop.
2. Marketing quotas also are in effect on the 1956 peanut crop.
3. Compliance with acreage allotments is required for price support eligibility. Farmers who harvest peanut acreage in excess of their allotment will be subject to marketing quota penalties.

Price support:

Producers in compliance with acreage allotments will be eligible for price support based on the minimum national average price of \$223.60 per ton. This average minimum support price, which is 86 percent of the March 15, 1956 effective parity price of \$260 per ton, will be adjusted upward at the beginning of the marketing year (August 1), if at that time the effective parity price or a change in supply from that now estimated results in calculation of a higher support price.

Soil Bank:

Note: Producers of Virginia and Valencia type peanuts will not be eligible to participate in the 1956-crop acreage reserve. Acreage allotments for these types of peanuts were increased for 1956 because of a shortage in the supply. The material that follows affects only producers of peanuts other than those of the Virginia and Valencia types.

Soil Bank Peanut Acreage Reserve:

1. To qualify for any payment under the Soil Bank program, a peanut grower must comply with the farm acreage allotment for peanuts, tobacco, cotton, rice, and wheat, and the corn base acreage. Farms with a wheat allotment of 15 acres or less may produce 15 acres of wheat. For peanuts, any farm may produce one acre without becoming ineligible for acreage reserve payments.
2. The acreage of peanuts for harvest must be less than the acreage allotment for the farm.
3. The designated acreage reserve must not be grazed, cut for hay, or cropped for the entire calendar year 1956.
4. Acreage placed in the acreage reserve cannot qualify under the conservation reserve.
5. Noxious weeds must be controlled on the designated acreage reserve land.

Note: In the establishment of future acreage allotments, reserve acreages of peanuts will be credited to the State, county, and farm as though the acreage actually had been planted.

Special qualifications:

Any peanut grower with a peanut acreage allotment, except the producer of Virginia and Valencia types, who otherwise complies with the provisions of the acreage reserve may be eligible for payment if:

1. He has underplanted his peanut allotment and certifies that he underplanted (a) in anticipation of complying with the 1956 acreage reserve or (b) because of adverse weather conditions.
2. He has complied with his farm allotment for peanuts, but an acreage of the crop was not harvested because of destruction by natural causes.
3. He plows or otherwise physically incorporates the crop into the soil, or clips, mows, or cuts the crop after May 27 and not later than the established final date for Soil Bank acreage reserve compliance. The final date will be established by the state ASC committee and will in no case be later than July 31.

Rate of Payment:

The basic payment rate per pound is 3 cents.

1. If the peanut allotment is underplanted the payment will be based on the normal yield for the farm.
2. If the land in the peanut acreage reserve is qualified by destruction of the crop by natural causes or by plowing or otherwise physically incorporating the crop into the soil, or clipping, mowing, or cutting, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm but not less than \$6.00 an acre.

Maximum and minimum acreage:

Maximum and minimum acreages of peanuts which may be placed in the acreage reserve are as follows: The maximum is the larger of half the allotment or 10 acres. The minimum is the larger of 10 percent of the allotment or 1 acre. However, where the allotment is less than the specified acreage minimum or maximum, the total allotment shall be considered as the maximum or minimum.

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RICE UNDER 1956 FARM PROGRAMS

Soil Bank Acreage Reserve, Acreage Allotments and Marketing Quotas, and Price Supports

Acreage Allotments and Marketing Quotas

The national acreage allotment for the 1956 crop of rice is 1,639,084 acres, announced December 30, 1955. Since the Agricultural Act of 1956 (Soil Bank Act) provides that no State acreage allotment for 1956-crop rice shall be less than 85 percent of the State's 1955 allotment, about 13,500 acres will be added to the national acreage allotment, mostly for increasing the State allotments for Louisiana and California. This additional acreage will be passed along to producers for 1956.

Since marketing quotas were approved by growers voting in a referendum held January 27, 1956, quotas and penalties on "excess" rice are in effect for the 1956 crop. The quota penalty is 50 percent of the June 15, 1956, parity price.

Placing rice acreage in the Acreage Reserve will not affect the future establishment of State, county, or farm acreage allotments for rice.

Price Support

The minimum level of price support for the 1956 crop of rice, announced April 23, 1956, is \$4.50 per hundredweight. If $82\frac{1}{2}$ percent of the rice parity price as of August 1, 1956, is higher, the support price will be increased accordingly.

Compliance with rice acreage allotments is required as a condition of eligibility for price support for rice.

Soil Bank Acreage Reserve

General Qualifications:

To qualify for payments under either the Acreage Reserve or the Conservation Reserve of the Soil Bank, a farmer must comply with all allotments established for crops on his farm and with his corn base acreage if he has one. In the case of wheat, a farmer must not have knowingly exceeded the farm acreage allotment or 15 acres, whichever is larger. For peanuts, any farmer may produce one acre of peanuts without becoming ineligible for acreage reserve payments.

The same acreage may not be designated under both the Acreage Reserve and the Conservation Reserve.

Rice acreage designated for inclusion in the Acreage Reserve must (1) result in the harvesting of an acreage of rice less than the farm allotment, and (2) not be grazed, cut for hay, or cropped for the entire 1956 calendar year. Noxious weeds must also be controlled on the "reserved" acreage.

Specific Qualifications:

Any farmer who meets the general requirements for participating in the Acreage Reserve may earn payments by:

1. Underplanting his allotment for rice and certifying that he underplanted either in anticipation of complying with the 1956 Acreage Reserve or because of adverse weather conditions; or
2. Complying with his farm allotment for rice, and not harvesting an acreage of the crop because of destruction by natural causes; or
3. Plowing or otherwise incorporating into the soil, or clipping, mowing, or cutting an acreage of rice within the allotment after May 27 and before the final date for Soil Bank Acreage Reserve compliance which will not be later than July 31.

Maximum and Minimum Acreages -- For rice, the maximum acreage which a farmer may place in the Acreage Reserve is half the rice allotment or 50 acres, whichever is larger, except that the "reserved" acreage for rice may not exceed the allotment.

The minimum acreage of rice which may be placed in the Acreage Reserve is 10 percent of the rice allotment or 5 acres, whichever is larger, except that where the allotment is less than 5 acres, the minimum is the allotment.

Payments -- Payments which a farmer may earn for participating in the Acreage Reserve will be at a rate of \$2.25 per hundredweight.

For underplanting the rice allotment, the payment rate will be based on the normal yield for the designated acreage.

For destruction due to natural causes, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

For plowing, or otherwise physically incorporating the crop into the soil, or for clipping, mowing, or cutting the rice crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

WHEAT UNDER 1956 FARM PROGRAMS

Soil Bank Acreage Reserve, Acreage Allotments and Marketing Quotas, and Price Supports

Acreage Allotments and Marketing Quotas

1. Acreage allotments based on a national acreage of 55 million acres are in effect for the 1956 wheat crop.
2. Marketing quotas having been proclaimed by the Secretary of Agriculture and approved by wheat producers in a referendum are in effect on the 1956 crop of wheat.
3. Compliance with acreage allotments in the commercial wheat producing area is required for price-support eligibility. Farmers who over-harvest their acreage allotment or 15 acres, whichever is larger, will be subject to marketing quota penalties.
4. In the 12-State noncommercial wheat area, there are no acreage allotments or marketing quotas.

Price Support

1. In the commercial wheat-producing area, producers, in compliance with acreage allotments, will be eligible for price support based on the national average price of \$2.00 per bushel, with county rates ranging from \$1.69 to \$2.27 per bushel for U. S. No. 1 Grade wheat.
2. Producers in the noncommercial wheat-producing area may obtain price support at 75 percent of the commercial area rate. For 1956, minimum rates in the noncommercial counties range from \$1.06 to \$1.66 per bushel for U. S. No. 1 Grade wheat.

Soil Bank Acreage Reserve for Wheat:

General requirements for participation in the Soil Bank Acreage Reserve for wheat in 1956:

1. The farm must have a farm acreage allotment for wheat.
2. To qualify for any payment under the Acreage Reserve program a farmer must comply with his corn base acreage and with the farm acreage allotments for cotton, wheat, (farms with wheat allotments of 15 acres or less can produce 15 acres of wheat without becoming ineligible) rice, tobacco, and peanuts. Any farm may produce one acre of peanuts without becoming ineligible for Acreage Reserve payments.
3. The acreage of wheat for harvest must be less than the wheat acreage allotment for the farm. The acreage which is eligible for the Acreage Reserve is the difference between the farm allotment and the wheat harvested, provided all requirements are met.

4. The designated acreage reserve must not be grazed, cut for hay or cropped for the entire calendar year 1956.
5. Acreage placed in the acreage reserve cannot qualify under the conservation reserve.
6. Noxious weeds must be controlled on the designated Acreage Reserve land.

Specific qualifications for participation in the Acreage Reserve for wheat in addition to the general qualifications:

1. If the wheat acreage allotment is underplanted and the wheat is spring wheat for harvest in 1956 and the farmer certifies that the underplanting was due to: (1) Anticipation of the 1956 Acreage Reserve for wheat; (2) or because of adverse weather conditions the payment will be based on the normal yield as determined by the ASC County Committee for the designated acreage. The rate of payment is the local rate representing the national average rate of \$1.20 per bushel.
2. If the wheat is winter wheat planted for harvest in 1956 and the acreage seeded in the fall of 1955 was less than the farm allotment and the farmer certifies that the underplanting was because of adverse weather conditions the payment rate is \$4 per acre.
3. If the compliance with the Acreage Reserve occurred from destruction by natural causes (such as winterkill, flood, hail) the payment rate is based on the smaller of the appraised yield for the field or the normal yield for the farm but not less than \$6 per acre.
4. If the compliance with the acreage reserve is by plowing or otherwise physically incorporating the crop into the soil, or by clipping, mowing, or cutting the wheat crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

Deadline for compliance:

If compliance is to be accomplished by destruction from natural causes or by plowing or otherwise incorporating the wheat into the soil, or by clipping, mowing, or cutting, it must be done between May 28 and June 30 or the final established date for compliance with the farm wheat allotment for that crop, whichever is later, but in no case will the final date be later than July 31.

Maximum and minimum acreage:

The greatest number of acres which can be placed in the Acreage Reserve for wheat is the larger of half the acreage allotment or 50 acres. (If the farm wheat allotment is 45 acres the entire 45 may be placed in the Acreage Reserve.) In all cases, if the farm allotment is less than 50 acres the allotment becomes the maximum.

The smallest number of acres which can be placed in the Acreage Reserve for wheat is the larger of 10 percent of the farm wheat allotment or 5 acres, except that if the allotment is less than 5 acres, the minimum is the allotment. (The minimum for a farm with a wheat allotment of 150 acres would be 15 acres. For a farm with an allotment of 40 acres the minimum would be 5 acres.)

Future acreage allotments:

Participation in the Acreage Reserve for wheat will not reduce future wheat allotments for the farm.

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June 18, 1956

THE SOIL BANK --

Objectives

Administration in 1956

Note: Rates of payment and administrative regulations cited in this booklet apply to the Acreage Reserve program for 1956 only.

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A nation-wide soil bank, consisting of an acreage reserve and a conservation reserve, is now a vital part of the total agricultural program of the United States.

Because we are now far along in the 1956 spring planting season, the soil bank will have only limited application this year. However, the special program for 1956, which is described in the following pages, will permit many farmers who have already planted crops to put land into the acreage reserve and receive payments. And beginning with fall-seeded crops, all eligible farmers will have an opportunity to plan in advance to participate in both parts of the soil bank.

In future years, the program will have important results in American agriculture, influencing the planning and work of most of our farmers. As the acreage reserve and conservation reserve take effect throughout the Nation, farmers will have unparalleled opportunity to make adjustments in their production while maintaining and improving incomes and increasing the resource potential on their farms to meet long-term needs for food and fiber.

The soil bank is a method of reducing surpluses and giving a lift to prices, and a conservation measure to safeguard our soil and water resources for future generations.

Why a Soil Bank?

In spite of production controls on many farms, the surplus of basic agricultural commodities has continued to increase in recent years. Acreage allotments and marketing quotas combined with vigorous action to move food and fiber to consumers at home and abroad have not succeeded in reducing surplus stocks. For each bushel equivalent sold, about one and one-half bushels have replaced it in the stockpiles. Much of the land diverted from producing basic crops, such as wheat and cotton, has gone into production of feed grains, thus burdening livestock raisers and dairy farmers with added competition.

The basic need has been for an agricultural program to help farmers adjust their production to the realities of present-day markets while strengthening their incomes.

New support and encouragement for conservation is of equal importance to the long-term prosperity of American agriculture and the well-being of all Americans. Perhaps 20 to 25 million acres of land now in row crops and small grains should be put into grass and trees.

The soil bank program has been developed to gain these vital objectives -- surplus reduction, improved income and increased conservation.

What Will Be Accomplished?

There are two parts to the soil bank -- an acreage reserve and a conservation reserve.

The acreage reserve is a temporary program to reduce production of wheat, cotton, corn, rice, and most types of tobacco and peanuts. It is authorized for four years, beginning with 1956 crops. Because most crops have already been planted, participation will not be widespread this year. 1957 will be the first year in which there is a fair test of the acreage reserve. (For a detailed account of how the program will apply this crop year, see pages 5-10).

As the acreage reserve gains increasing participation, it will have these important results leading to a strengthened economic position for farmers:

- Adequate payments. Payments will compensate farmers for net income they would have received for crops on acres put in the acreage reserve.
- New stability for farmers' markets through a working program to bring surpluses under control. Concern that farm surpluses will continue to grow has acted to depress prices.

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- Protection against crop failure. In 1957 and following years, farmers who decide in advance of planting to put land in the acreage reserve will receive payments based on normal yields from these acres even though drought or some other natural disaster lowers production. In 1956 farmers may place weather-destroyed cropland in the acreage reserve at a lower rate.
- Increased productive capacity for idle land. No soil depleting crops will be growing on these acres. Erosion and weed control will be practiced.

Over a period of several years, the conservation reserve part of the soil bank will encourage the shift of 20 to 25 million acres of our farm land into grass, trees, or water storage. This would be a long-range adjustment in the use of some of the Nation's land resources.

Land brought into the conservation reserve will include:

Less productive acres that should permanently be taken out of crop production in the interest of better conservation use.

Acres diverted in the past from wheat and cotton to feed grains and other crops.

Certain land on which grass cover is already established.

The conservation reserve will give new force and permanence to soil, water, and forest protection work. Through this program, farmers can now receive substantial aid and compensation in conserving the food-producing resources of the Nation. Instead of being wasted and depleted in production of price-depressing surpluses, the soil and water resources on their farms will be conserved and protected for a growing population needing increased supplies of food, fiber, and timber in future years.

Existing Agencies Will Operate Program

In administering the soil bank, the Secretary of Agriculture is making use of the services and skills of regular Federal, State, and local government agencies:

The Commodity Credit Corporation and the Commodity Stabilization Service have general responsibility for administering funds used in the program.

Community, county, and State Agricultural Stabilization and Conservation Committees will operate the program at the farm level, as described below.

Conservation practices eligible for payment in the conservation reserve are the responsibility of the Agricultural Conservation Program Service nationally.

Technical resources of the Soil Conservation Service, the Forest Service, the Fish and Wildlife Service, land-grant colleges, State foresters, and others are being utilized to assure successful conservation.

Regular Farm Programs Continue

The soil bank is an addition to regular agricultural programs and is designed to strengthen them. Price support programs and acreage allotments and marketing quotas for some crops are still in effect. The Agricultural Conservation Program continues to include cost-sharing for regular conservation practices outside the soil bank. The Soil Conservation Service will continue to work with soil conservation districts and watershed protection projects.

ACREAGE RESERVE IN 1956

No Production From Reserve

Farmers with acreage allotments for wheat, cotton, rice, most kinds of tobacco and peanuts, and the new soil bank base acreage for corn are eligible to take part in the acreage reserve and receive the benefits of this program.

Most spring-planted crops are already in the ground. But special provisions governing the acreage reserve this year do permit farmers to incorporate crops into the soil as a way of participating and to place weather-damaged land in the program. However, necessary limitations on plowing or mowing crops that are close to maturity will reduce the use of this practice.

A farmer is eligible for participation in the acreage reserve this year if:

1. He underplanted his allotment or soil bank corn base in anticipation of complying with the 1956 program or because of bad weather.
2. He underplanted his 1956 winter wheat allotment because of bad weather.
3. He has complied with his soil bank corn base or allotment for a particular crop and an acreage of the crop was not harvested due to natural causes.
4. He is in an area where he can qualify by plowing or mowing crops.

Farmers who exceed their corn base or allotment for any crop are not eligible for the program.

A farmer takes part in the acreage reserve program by signing an agreement with his ASC committee and removing some part of his acreage allotment or corn base acreage from the production of all crops. Land placed in the acreage reserve may not be grazed, cut for hay, or cropped. It will be left idle or a soil or water conservation practices applied to it. Participating

THE HISTORY OF THE

AMERICAN PEOPLE

The history of the American people is a story of growth and development. It begins with the first settlers who came to the New World in search of a better life. They found a land of opportunity and freedom, and they built a nation that has become a model for the world. The American people have shown a remarkable ability to adapt to change and to overcome adversity. They have built a nation that is free, democratic, and just. They have shown the world that it is possible to live in peace and harmony. The American people are a people of courage and vision. They are a people who have made a difference in the world. They are a people who are proud of their heritage and their future.

The American people have a rich and diverse heritage. They are a people of many different backgrounds and cultures. They have built a nation that is a melting pot of different peoples and traditions. The American people have a strong sense of community and of shared values. They are a people who are united by their love of freedom and their belief in the American dream. The American people are a people who are proud of their country and their way of life. They are a people who are committed to the principles of democracy and to the values of justice and equality. The American people are a people who are making a difference in the world.

The American people have a bright future. They are a people who are full of hope and optimism. They are a people who are committed to the principles of democracy and to the values of justice and equality. The American people are a people who are making a difference in the world. They are a people who are proud of their heritage and their future. The American people are a people who are committed to the principles of democracy and to the values of justice and equality. The American people are a people who are making a difference in the world. They are a people who are proud of their heritage and their future.

farmers will take measures to prevent noxious weeds from producing seed or spreading from land in the reserve.

In this crop year a farmer whose growing crops have not matured beyond a certain point may sign an agreement with his county committee to plow or mow them so that he reduces acreage of the commodity below his allotment. These acres must then be left idle or cover put on them. He may not harvest any crop, including hay, from this land or graze it during 1956. July 20, 1956, is the final date for signing an agreement this crop year.

Cutoff Dates on Land in Crops

After certain dates, now being established locally, farmers will not be permitted to mow or clip crops in order to participate in the acreage reserve.

For wheat and corn this is the same date by which farmers must be in compliance with acreage allotments for price support. In no case, however, will it be earlier than June 30 or later than July 31, 1956.

For cotton, peanuts, rice, and tobacco, State ASC committees are establishing final dates for individual areas. And in no case will this date be earlier than June 30 or later than July 31, 1956.

Certificates as Payment

In return for placing land in the acreage reserve, farmers will receive certificates, which the Commodity Credit Corporation will redeem either in cash or an appropriate amount of the commodity (in the case of certificates for wheat, corn, and rice acreage). Farmers participating in the 1956 program will be reimbursed in certificates through county ASC committees as soon as compliance can be checked.

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Payments which farmers can earn for putting land in the acreage reserve will be determined in county ASC offices. The following average base unit rates will be used:

Corn	-- \$.90 per bu.
Cotton	-- \$.15 per lb.
Wheat	-- \$1.20 per bu.
Rice	-- \$2.25 per hundredweight
*Tobacco	--
**Peanuts	-- \$.03 per lb.

There will be three methods of determining payment on 1956 crops:

1. In the case of a farmer who underplanted his allotment or soil bank corn base, the unit rate would be multiplied by a yield factor based on historical production on his farm. Thus if he volunteers 20 acres of land for the acreage reserve, his county ASC office can tell him what amount of money he can earn. (20 acres x the yield factor for his farm x unit rate)

2. However, for underplanting 1956 winter wheat because of bad weather, the payment will be four dollars an acre.

3. A farmer may want to put land in the acreage reserve on which the crop has been destroyed by natural causes. Or he may want to participate by plowing or mowing his crop. In either case his payment will be based on the smaller of an appraised yield for the current year on acres put in the reserve or the normal yield for his farm.

* Flue-cured, types 11-14	-- \$.18 per lb.
Burley, type 31	-- \$.18 per lb.
Maryland, type 32	-- \$.17 per lb.
Fire-cured, types 21-24	-- \$.13 per lb.
Dark air-cured, types 35-36	-- \$.12 per lb.
Va. Sun-cured, type 37	-- \$.12 per lb.
Cigar-filler, types 42-44	-- \$.09 per lb.
Cigar-binder, type 51	-- \$.19 per lb.
Cigar-binder, type 52	-- \$.18 per lb.
Cigar-binder, type 54	-- \$.08 per lb.
Cigar-binder, type 55	-- \$.11 per lb.

**Virginias and Valencias excluded.

Certificates farmers receive as payment for placing grain acreage in the reserve may be redeemed in a grain. However, farmers holding certificates for cotton, tobacco, or peanuts will not have the option of exchanging them for commodities. Payment in grain will not be available before the end of the 1956 harvest.

Certificates may be endorsed to merchants, bankers, and others as payment for goods and services. The certificates are negotiable. Anyone may redeem them in cash, but certificates for grain may be redeemed only by farmers to whom they are issued. Grain received in exchange for a certificate is not eligible for price support programs.

Limits on Farm Participation

Farmers are limited as to the number of acres they may put in the acreage reserve.

Maximum participation on any one farm is the larger of the following acreage: Grain (corn, wheat, and rice) 50 acres or half the allotment (or corn base). Cotton and peanuts, 10 acres or half the allotment. Tobacco, 5 acres or half the allotment.

Minimum participation on any one farm is the larger of the following acreage: Grain (corn, wheat, rice), 5 acres or 10 percent of the allotment (or corn base). Cotton, 2 acres or 10 percent of the allotment. Tobacco and peanuts, 1 acre or 10 percent of the allotment. The minimum for Burley tobacco is half an acre or the allotment, whichever is smaller.

A farmer may not place more than his allotted acreage of an eligible crop in the acreage reserve. And if his allotment is less than the amounts listed above in the paragraph on minimum participation, he must place the entire allotment in the program in order to participate.

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF THE HISTORY OF ARTS
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General Provisions

The following general provisions govern operation of the acreage reserve this year:

- Farmers must comply with all farm acreage allotments and the soil bank corn base acreage to be eligible for payment in the acreage reserve. However, wheat farmers may produce 15 acres of wheat and farmers growing peanuts, 1 acre of peanuts without being ineligible for the program.
- Tenants and sharecroppers have full rights to share in benefits. In applying for the program, a farm landlord will describe in detail his method of distributing acreage reserve benefits among his tenants. When approved by his ASC committee, this method will be incorporated into the contract.
- No acreage placed in the acreage reserve may be reapportioned or allotted to any other farm.
- Historical acreage allotments of farmers taking part in the program will be protected. In determining future State, county, and farm acreage allotments, officials will consider acreage placed in the reserve as acreage used to produce crops.
- ASC committeemen or other representatives of the Secretary of Agriculture will have the right to check compliance on the farm of an operator who has signed an agreement placing land in the acreage reserve.
- Cost sharing under the regular Agricultural Conservation Program is available for approved soil-conserving practices on land in the acreage reserve.

Penalties and Appeal

The act authorizing an acreage reserve provides penalties for violating an agreement and describes farmers' appeal rights. If an ASC committee finds a farmer has violated an agreement seriously enough to terminate it, he will forfeit all payments, past and future, for the year covered by the agreement. In this case, he may appeal the decision to his State committee and the Federal courts.

If the county committee decides his violation is less serious, the farmer's payments will be adjusted and he may also have to refund some of the money already paid him under the agreement. In addition, a farmer who grazes land in violation of a contract or harvests a crop from it is subject to a fine amounting to 50 percent of his benefits under the contract.

Corn -- Price Support and Soil Bank

In 1956 the national average price support available for cooperators in commercial corn counties is \$1.50. A farmer can become eligible for loans at this level in two ways: First, by keeping his acreage within the acreage allotment established for his farm under the old allotment program (his share of the national allotment of 43 million acres). Second, by keeping within his new corn base (his share of the 51 million acre national corn base) and placing 15 percent of the corn base in the soil bank program.

A farmer qualifies for payments under the program by keeping his acreage for harvest below the level of his corn base and putting the reduced acreage in the acreage reserve. Or he can keep his corn acreage up to his corn base, put acreage of general cropland into the long-term conservation reserve program (see page 11) and receive special conservation reserve payments.

As stated above, if the acres he puts into either the acreage reserve or the conservation reserve equal 15 percent of his corn base, he is also eligible for the maximum level of available corn price supports.

CONSERVATION RESERVE

The conservation reserve part of the soil bank will be started in 1956, and some farmers will want to sign contracts and start conservation practices during this crop year. However, the fact that most land is already in crops will mean that in general this program will get under way this fall. Regulations and procedures governing operation of the program are being prepared in the Department of Agriculture and will soon be made available to ASC committees.

Through the conservation reserve, farmers have an opportunity to receive substantial government assistance for long-term conservation work on their farms. A farmer wanting to participate will sign a contract with his county committee in which he agrees to remove land from production of crops and devote it exclusively to conservation practices. Land producing tame hay in regular rotation and pasture is also eligible for the program. The farmer will be paid most of what it costs to establish cover and also an annual payment to compensate him for keeping the land out of production.

Use of Land in Conservation Reserve

A farmer who signs a contract to participate in the conservation reserve will agree:

- To establish and maintain protective cover (grasses, legumes, or trees), water storage, or some other approved conservation practice on designated acres.
- To maintain normal acreage of conserving and idle land on his farm.
- Not to harvest any crop from these acres, except timber in keeping with good forestry management.
- Not to pasture these acres before January 1, 1959, or a later date cited in the contract, unless the Secretary of Agriculture finds a need for grazing before this date.

-- Not to use any practice defeating the purpose of the contract, for example, divert land now in conservation, woods, etc., to a use prohibited by the Secretary of Agriculture.

1. Practice Payment

A farmer will receive about 80 percent of his costs in establishing permanent conservation on acres put in the conservation reserve. To establish grasses and legumes, these costs could include land preparation, seed and seeding, inoculation, liming, and fertilizing. To establish trees, costs could include preparing the land, tree seedlings, seed, cuttings and shrubs. Other material and labor used in conservation, including water storage, are also eligible for cost sharing. Most of the practice payments will be made during the first year of the contract.

The Department of Agriculture has authority to provide materials and services for conservation work on acres in the reserve. (This provision is similar to provisions in the Soil Conservation and Domestic Allotment Act, which authorize the Agricultural Conservation Program.) The Department may purchase or produce these materials and services, and reimburse any Federal, State, local government agency or private dealer for them; the Department may also pay the cost of making them available to farmers. Materials and services a farmer receives for this work will be considered full or part payment for applying conservation practices on acres he has put in the conservation reserve.

2. Annual Payment

In addition to this initial conservation practice payment, a participating farmer will also receive payments each year for the length of the contract to compensate him for taking land out of crop and livestock production. This annual payment begins with the first year, as cited in the contract. In determining the annual payment to a farmer, these factors will be considered: Value of the

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land for producing crops, rates of land rent in the area, and necessary incentive to encourage participation.

Length of Contract

The minimum conservation reserve contract is for 3 years; the maximum for 10 years. Contracts for tree cover, however, may extend for 15 years, and 3-year contracts apply only to land which will be continued in vegetative cover.

Many of the general provisions (listed on page 9) which govern operation of the acreage reserve also apply to the conservation reserve:

- Farmers must be in compliance with acreage allotments or corn base acreage.
- Tenants and sharecroppers have full rights to share in benefits.
- No acreage in the conservation reserve will be reapportioned or allotted to another farm.
- A farmer's historical acreage allotment will be protected.
- Compliance will be checked.
- Cost sharing under ACP is available for additional protection and improvement on land in the conservation reserve.

Committeemen Have Information

County ASC committees will assist farmers with specific information and interpretations regarding application of the program for local areas -- and individual farms. Acreage reserve agreements will be available for farmers' signature. Local meetings will be held and an effort will be made to get soil bank information directly to every farmer. Individual requests for information are welcomed.

Farmers should not take action to participate in the soil bank until they have consulted with their ASC committees.

84TH CONGRESS
2D SESSION

Calendar No. 1983

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz: On page 32, between lines 6 and 7 insert the following:

- 1 (c) Notwithstanding any other provisions of this section,
- 2 a reserve equivalent to twenty-five million pounds of wool,
- 3 clean basis, shall be transferred from the stocks of the Com-
- 4 modity Credit Corporation to the supplemental stock pile
- 5 established by section 104 (b) of the Agricultural Trade
- 6 Development and Assistance Act of 1954 (7 U. S. C. 1704).
- 7 With the advice and assistance of the Department of Defense,

1 the Commodity Credit Corporation is authorized and directed
2 to enter into contracts for the conversion of such wool into
3 wool materials for defense purposes (serge, cloth, other
4 fabrics, knitting yarns and other wool materials). For the
5 purpose of reimbursing the Commodity Credit Corporation
6 for the wool materials so transferred there are hereby
7 authorized to be appropriated such sums as are equal to the
8 Corporation's investment in such wool, including the handling
9 costs, plus the costs incurred in the manufacture and delivery
10 of the wool materials.

AMENDMENT

Intended to be proposed by Mr. BARETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

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Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. JENNER) to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 On page 13, after the period in line 3, insert the follow-
2 ing: "The compensation paid any producer for participating
3 in the acreage reserve program with respect to land in any
4 one State in any year shall not exceed \$25,000."

5 On page 17, after the period in line 7, insert the follow-
6 ing: "No annual payment to any person with respect to
7 land in any one State shall exceed \$7,500."

8 On page 70, after line 8, insert the following:

9 "SEC. 603. The Agricultural Act of 1949 is amended by
10 adding at the end thereof the following new section:

1 “ ‘SEC. 421. The total amount of price support made
2 available under this Act to any person for any year through
3 loans to such person, or through purchases made by Com-
4 modity Credit Corporation from such person, shall not exceed
5 \$50,000. The term “person” shall mean any individual,
6 partnership, firm, joint-stock company, corporation, associa-
7 tion, trust, estate, or agency of a State. In the event of any
8 loan to, or purchase from, a cooperative marketing associa-
9 tion, such limitation shall apply to the amount of price
10 support made available through such cooperative association
11 to each person. The limitation herein on the amount of
12 price support made available to any person shall not apply
13 if price support is extended by purchases of a product of an
14 agricultural commodity from processors and the Secretary
15 determines that it is impracticable to apply such limitations.’ ”

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. JENNER) to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

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Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. CHAVEZ, and Mr. KERR) to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 On page 3, beginning with line 24, strike out “other
2 feed grains (corn produced outside the commercial corn-
3 producing area, grain sorghums, barley, rye, and oats),”.

4 On page 4, line 7, after the comma insert “and for the
5 1956, 1957, 1958, and 1959 crops of feed grains (corn pro-
6 duced outside the commercial corn-producing area, grain
7 sorghums, barley, rye, and oats (also hereinafter referred
8 to as ‘the commodity’)),”.

9 On page 8, lines 4 and 5, strike out “each year in which

1 an acreage reserve program will be in effect for corn”
2 and insert in lieu thereof “each of the years 1956, 1957,
3 1958, and 1959”.

4 On page 8, lines 14 and 15, strike out “1957 and sub-
5 sequent years in which an acreage reserve program will be
6 in effect for corn,” and insert in lieu thereof “each of the
7 years 1957, 1958, and 1959”.

8 On page 51, lines 19 to 21, in lieu of the matter printed
9 in linetype insert the following: “for each of the years 1956
10 and 1957,”.

11 On page 51, lines 21 to 23, strike out the matter printed
12 in italic.

13 On page 52, strike out the matter printed in italic in lines
14 1 to 6.

15 On page 52, line 14, strike out the matter printed in
16 italic.

17 On page 52, lines 15 and 16, strike out “corn produced
18 outside the commercial corn-producing area,”.

19 On page 52, line 16, strike out “and oats” and insert in
20 lieu thereof “oats, and the 1957 crop of corn produced outside
21 the commercial corn-producing area”.

22 On page 52, line 23, restore the matter printed in line-
23 type.

24 On page 53, lines 6 to 16, in lieu of the matter printed
25 in linetype, insert the following: “Notwithstanding any other

1 provision hereof, the Commodity Credit Corporation shall
2 make available price support for the 1956 crop of each of
3 the commodities, grain sorghums, barley, rye, and oats at
4 76 per centum of the parity price for the commodity to any
5 producer who meets the requirements of eligibility therefor
6 where (A) such producer does not meet the additional
7 requirements for price support prescribed by this subsection,
8 or (B) there is no acreage reserve program in effect for such
9 crop."

AMENDMENTS

Intended to be proposed by Mr. DANIEL (for himself, Mr. JOHNSON of Texas, Mr. CHAVEZ, and Mr. KERK) to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

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Calendar No. 1983

84TH CONGRESS
2^D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. ANDERSON to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

- 1 On page 42, lines 18 and 19, strike out the words “and
- 2 the provisions of section 344”.
- 3 On line 23, after the figure “1956”, strike out the comma,
- 4 insert a period, and strike out the rest of the paragraph.

Calendar No. 1983

84TH CONGRESS
2D Session

H. R. 10875

AMENDMENTS

Intended to be proposed by Mr. ANDERSON to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, May 7), 1956

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Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. YOUNG to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz: On page 42, between lines 6 and 7, insert the following new section:

1 SALE OF WHEAT FOR FEED

2 SEC. 213. Section 407 of the Agricultural Act of 1949,
3 as amended, is amended by adding at the end thereof, the
4 following: "Notwithstanding the foregoing restrictions, the
5 Corporation may sell annually not to exceed one hundred
6 million bushels of less desirable milling quality wheat for
7 feeding purposes: *Provided*, That in establishing the sales
8 price of such wheat due consideration shall be given to the
9 feeding value of wheat and to the effect that such sales of
10 wheat will have on the price of feed grains."

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. Young to the
bill (H. R. 10875) to enact the Agricultural
Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MARTIN of Pennsylvania to the
bill (H. R. 10875) to enact the Agricultural Act of 1956,
viz:

- 1 On page 56, beginning with line 16, strike out over
- 2 through line 8 on page 58.

5-17-56—J

Calendar No. 1983

84TH CONGRESS
2D Session

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. MARTIN of Pennsylvania to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

- 1 On page 50, strike out line 7.
- 2 Beginning on page 51, with line 19, strike out through
- 3 line 19 on page 54.

5-17-56—G

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

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Calendar No. 1983

84TH CONGRESS
2^D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

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AMENDMENTS

Intended to be proposed by Mr. ANDERSON to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 On page 42, lines 18 and 19, strike out the words “and
2 the provisions of section 344”.

3 On line 23, after the figure “1956”, strike out the comma,
4 insert a period, and strike out the rest of the paragraph.

5-17-56—I

Calendar No. 1983

84TH CONGRESS
2^D SESSION

H. R. 10875

AMENDMENTS

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MAY 17 (legislative day, MAY 7), 1956

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84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

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AMENDMENT

Intended to be proposed by Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz: On page 32, between lines 6 and 7 insert the following:

- 1 (c) Notwithstanding any other provisions of this section,
- 2 a reserve equivalent to twenty-five million pounds of wool,
- 3 clean basis, shall be transferred from the stocks of the Com-
- 4 modity Credit Corporation to the supplemental stock pile
- 5 established by section 104 (b) of the Agricultural Trade
- 6 Development and Assistance Act of 1954 (7 U. S. C. 1704) .
- 7 With the advice and assistance of the Department of Defense,

1 the Commodity Credit Corporation is authorized and directed
2 to enter into contracts for the conversion of such wool into
3 wool materials for defense purposes (serge, cloth, other
4 fabrics, knitting yarns and other wool materials). For the
5 purpose of reimbursing the Commodity Credit Corporation
6 for the wool materials so transferred there are hereby
7 authorized to be appropriated such sums as are equal to the
8 Corporation's investment in such wool, including the handling
9 costs, plus the costs incurred in the manufacture and delivery
10 of the wool materials.

AMENDMENT

Intended to be proposed by Mr. BARNETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALDRICH, Mr. DWORKINAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MURDER) to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

May 17 (legislative day, May 7), 1956
Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

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AMENDMENTS

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. JENNER) to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 On page 13, after the period in line 3, insert the follow-
2 ing: "The compensation paid any producer for participating
3 in the acreage reserve program with respect to land in any
4 one State in any year shall not exceed \$25,000."

5 On page 17, after the period in line 7, insert the follow-
6 ing: "No annual payment to any person with respect to
7 land in any one State shall exceed \$7,500."

8 On page 70, after line 8, insert the following:

9 "SEC. 603. The Agricultural Act of 1949 is amended by
10 adding at the end thereof the following new section:

1 “ ‘SEC. 421. The total amount of price support made
2 available under this Act to any person for any year through
3 loans to such person, or through purchases made by Com-
4 modity Credit Corporation from such person, shall not exceed
5 \$50,000. The term “person” shall mean any individual,
6 partnership, firm, joint-stock company, corporation, associa-
7 tion, trust, estate, or agency of a State. In the event of any
8 loan to, or purchase from, a cooperative marketing associa-
9 tion, such limitation shall apply to the amount of price
10 support made available through such cooperative association
11 to each person. The limitation herein on the amount of
12 price support made available to any person shall not apply
13 if price support is extended by purchases of a product of an
14 agricultural commodity from processors and the Secretary
15 determines that it is impracticable to apply such limitations.’ ”

84TH CONGRESS
2d Session

H. R. 10875

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS (for himself and Mr. JENNER) to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 17 (legislative day, MAY 7), 1956

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84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, MAY 7), 1956

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AMENDMENT

Intended to be proposed by Mr. YOUNG to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz: On page 42, between lines 6 and 7, insert the following new section:

1 SALE OF WHEAT FOR FEED

2 SEC. 213. Section 407 of the Agricultural Act of 1949,
3 as amended, is amended by adding at the end thereof, the
4 following: "Notwithstanding the foregoing restrictions, the
5 Corporation may sell annually not to exceed one hundred
6 million bushels of less desirable milling quality wheat for
7 feeding purposes: *Provided*, That in establishing the sales
8 price of such wheat due consideration shall be given to the
9 feeding value of wheat and to the effect that such sales of
10 wheat will have on the price of feed grains."

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. Young to the
bill (H. R. 10875) to enact the Agricultural
Act of 1956.

May 17 (legislative day, May 7), 1956

Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 16 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SCHOEPPPEL to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz: On page 42, between lines 6 and 7, insert the following new section:

1 SEC. 213. Section 407 of the Agricultural Act of 1949,
2 as amended, is amended by adding at the end of such sec-
3 tion the following new sentence: "Notwithstanding the fore-
4 going restrictions, the Corporation may sell annually not to
5 exceed one hundred million bushels of less desirable milling
6 quality wheat for feeding purposes, provided that in estab-
7 lishing the sales price of such wheat due consideration shall
8 be given to the feeding value of wheat and to the effect
9 that such sales of wheat will have on the price of feed
10 grains."

84TH CONGRESS
2D Session

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. SCHORRELL to
the bill (H. R. 10875) to enact the Agricultural
Act of 1956.

MAY 16 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2^D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 16 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

- 1 On page 33, beginning with line 3, strike down through
- 2 line 4, on page 34.

5-16-56—F

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

MAY 16 (legislative day, MAY 7), 1956

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84TH CONGRESS
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H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 16 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey to the
the bill (H. R. 10875) to enact the Agricultural Act of
1956, viz:

- 1 On page 58, beginning with line 9, strike down through
- 2 line 20, on page 67.

5-16-56—G

84TH CONGRESS
2D Session

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. SMITH of New Jersey to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

May 16 (legislative day, May 7), 1956

Ordered to lie on the table and to be printed

Calendar No. 1983

84TH CONGRESS
2D SESSION

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 15 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MUNDT to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

- 1 On page 30, after the period in line 12, insert the
- 2 following: "Nothing contained in this section shall prevent
- 3 the production of such crops on national wildlife refuges
- 4 under cooperative permits where such production is necessary
- 5 to maintain satisfactory wildlife populations, especially of
- 6 waterfowl for beneficial use."

84TH CONGRESS
2D SESSION

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. MUNDT to the bill (H. R. 10875) to enact the Agricultural Act of 1956.

May 15 (legislative day, May 7), 1956

Ordered to lie on the table and to be printed

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 10 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. BYRD to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 Insert the following at the proper place:

2 “That section 335 of the Agricultural Adjustment Act of
3 1938, as amended, is further amended by adding a new
4 subsection (f) after subsection (e) to read as follows:

5 ““(f) The Secretary, upon application made pursuant
6 to regulations prescribed by him, shall exempt producers
7 from any obligation under this Act to pay the penalty on,
8 deliver to the Secretary, or store the farm marketing excess
9 with respect to any farm for any crop of wheat harvested
10 in 1955 or subsequent years on the following conditions:

11 ““(1) That none of such crop of wheat is removed
12 from such farm;

1 “(2) That such entire crop of wheat is used for
2 seed on such farm, or is fed on such farm to livestock,
3 including poultry, owned by any such producer, or a sub-
4 sequent owner, or operator of the farm;

5 “(3) That such producers and their successors
6 comply with all regulations prescribed by the Secretary
7 for the purpose of determining compliance with the
8 foregoing conditions.

9 Failure to comply with any of the foregoing conditions
10 shall cause the exemption to become immediately null and
11 void unless such failure is due to circumstances beyond the
12 control of such producers as determined by the Secretary.
13 In the event an exemption becomes null and void the provi-
14 sions of this Act shall become applicable to the same extent as
15 if such exemption had not been granted. No acreage planted
16 to wheat in excess of the farm acreage allotment for a crop
17 covered by an exemption hereunder shall be considered in
18 determining any subsequent wheat acreage allotment or
19 marketing quota for such farm.’”

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. BYRD to the bill
(H. R. 10875) to enact the Agricultural Act
of 1956.

MAY 10 (legislative day, MAY 7), 1956
Ordered to lie on the table and to be printed

H. R. 10875

IN THE SENATE OF THE UNITED STATES

MAY 10 (legislative day, MAY 7), 1956

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 10875) to enact the Agricultural Act of 1956, viz:

1 On page 4, line 24, after the word "grazing." insert the
2 following: "In the event that the Secretary determines that
3 there has been a violation of this provision prohibiting the
4 grazing of reserve acreage during the time such producer
5 has control of the farm and that such violation is of such
6 a substantial nature as to warrant termination of the contract,
7 the producer shall forfeit all rights to further payments or
8 grants under this contract, shall refund to the United States
9 all payments and grants theretofore received by him there-
10 under during the crop year in which the violation occurred,
11 and shall forfeit all, none, or such part of such price support
12 benefits he may otherwise be entitled to receive for such year

1 under the provisions of the Agricultural Act of 1949, as
 2 amended, and shall refund to the United States all, none, or
 3 such part of such benefits theretofore received by him under
 4 the provisions of said Act during the crop year in which such
 5 violation occurred, as the Secretary may determine to be
 6 appropriate."

84TH CONGRESS
 2d Session

H. R. 10875

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to
 the bill (H. R. 10875) to enact the Agricul-
 tural Act of 1956.

May 10 (legislative day, May 7), 1956

Ordered to lie on the table and to be printed

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